NARCOTICS INTERDICTION AND ENFORCEMENT EFFORTS IN SOUTH FLORIDA

HEARING

BEFORE THE

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

FRIDAY, MAY 16, 1986

Printed for the use of the
Select Committee on Narcotics Abuse and Control

SCNAC-99-2-11

U.S. GOVERNMENT PRINTING OFFICE

69-513 WASHINGTON : 1987

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

H961-21

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

(99th Congress)

CHARLES B. RANGEL, New York, *Chairman*

PETER W. RODINO, JR., New Jersey
FORTNEY H. (PETE) STARK, California
JAMES H. SCHEUER, New York
CARDISS COLLINS, Illinois
DANIEL K. AKAKA, Hawaii
FRANK J. GUARINI, New Jersey
ROBERT T. MATSUI, California
DANTE B. FASCELL, Florida
WALTER E. FAUNTROY, District of Columbia
WILLIAM J. HUGHES, New Jersey
MEL LEVINE, California
SOLOMON P. ORTIZ, Texas
LAWRENCE J. SMITH, Florida
EDOLPHUS "ED" TOWNS, New York

BENJAMIN A. GILMAN, New York
LAWRENCE COUGHLIN, Pennsylvania
E. CLAY SHAW, JR., Florida
MICHAEL G. OXLEY, Ohio
STAN PARRIS, Virginia
GENE CHAPPIE, California
DUNCAN HUNTER, California
JOSEPH J. DIOGUARDI, New York
MICHAEL L. STRANG, Colorado
JOHN G. ROWLAND, Connecticut

COMMITTEE STAFF

JOHN T. CUSACK, *Chief of Staff*
ELLIOTT A. BROWN, *Minority Staff Director*

CONTENTS

	Page
Testimony of Hon. Claude Pepper, a Representative in Congress from the State of Florida	2
Testimony of Hon. Robert Graham, Governor of Flordia	9
Testimony of Hon. Robert Dempsey, commissioner of Florida Department of Law Enforcement	21
Testimony of Janet Reno, State's attorney, Dade County	24
Testimony of Jeffrey Silbert, Dade-Miami Criminal Justice Council, accompanied by Sergio Pereira, Dade County Manager	27
Testimony of Clarence Dickson, city of Miami Police Department	29
Testimony of Nick Navarro, sheriff, Broward County	32
Testimony of Mae Waters, representative of the State education commissioner	50
Testimony of William M. Stokes, chairman, Miami Citizens Against Crime, accompanied by Van T. Edsall, executive director	52
Testimony of Leon B. Kellner, U.S. attorney, Southern District of Florida	59
Testimony of Peter E. Gruden, special agent in charge, Miami Field Division, Drug Enforcement Administration	62
Testimony of Joseph V. Corless, special agent in charge, Miami Division, Federal Bureau of Investigation	64
Testimony of Rear Adm. Richard P. Cueroni, Commander, Seventh Coast Guard District, and Coordinator of the Vice Presidents Task Force, Southeast NNBIS Region	66
Testimony of Edward F. Kwas, Southeast Regional Commissioner of Customs, U.S. Customs Service	67
Testimony of Darrell G. Smith, Chief, Criminal Investigation Division, Internal Revenue Service	69
Testimony of Edward D. Conroy, special agent in charge, Miami District Office, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury	71
Submissions for the record: Summary of drug education efforts in Florida	85
Prepared statements:	
Chairman Charles B. Rangel	88
Congressman Claude Pepper	96
Congressman Benjamin A. Gilman	99
Congressman Dante B. Fascell	101
Gov. Robert Graham	111
Commissioner Robert R. Dempsey	117
Chief Clarence Dickson	123
Sheriff Nick Navarro	150
William M. Stokes	154
Leon B. Kellner	170
Peter F. Gruden	189
Joseph V. Corless	207
Rear Adm. Richard P. Cueroni	214
Edward F. Kwas	223
Darrell G. Smith	235

NARCOTICS INTERDICTION AND ENFORCEMENT EFFORTS IN SOUTH FLORIDA

FRIDAY, MAY 16, 1986

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL,
Washington, DC.

The Select Committee met, pursuant to call, at 9:00 a.m., in Dade County Courthouse, Miami, Florida, Hon. Charles B. Rangel (chairman of the Select Committee) presiding.

Present: Representatives Charles B. Rangel, Lawrence J. Smith and Benjaman A. Gilman.

Staff Present: John T. Cusack, Chief of Staff; Elliott A. Brown, Minority Staff Director; Edward H. Jurith, staff counsel; and Khalil Munir, investigator.

Also Present: Representative Claude Pepper.

Mr. RANGEL. We are going to start the hearings. We are here today at the request of Senator Pepper, Dante Fascell, and Congressman Larry Smith.

We are here because this part of our country has been hit, and hit hard, with the drug epidemic, drug trafficking that has swept our country, and indeed the world. A lot of attention has been given to Florida in terms of the resources that we have concentrated in this area, and some believe that as a result of the success that we have had, that the drug trafficking has gone further north and into the Northeastern part of the United States.

We are here to provide an oversight to see how successful this operation has been in Florida, since all of our reports appear to indicate that notwithstanding the success of the program, that more cocaine, more marijuana, and more heroin has been pouring into the State of Florida, as it has been pouring into the United States.

Up in Washington, DC, we hear that the administration has declared the war and that we see light at the end of the tunnel, that we have turned the corner, and that progress is being made. Yet our Select Committee, in studying State Department reports, reviewing documents from the United Nations, and with all the available information that we can find, indicates that every drug-producing country intends to have bumper crops this year, and that more cocaine, heroin, and marijuana will be pouring into the United States than ever before in our history.

In addition to that, we have been informed by drug enforcement agents throughout this country that even with all of the resources that they would want and do not have, that they would not be able

to interdict more than 10 to 20 percent of what is pouring across our countries.

In addition to that, we find that our Customs Commissioner has said that our Mexican-U.S. border is completely out of control, and, of course, we have no Federal programs that we know of to educate our children or prevent the continued uses and dependency on drugs.

To the good people of Florida, we felt that if this is where the war is being won that at the request of Senator Pepper, we will come down to see how successful the Federal effort has been.

At this time, I would like to call on Senator Pepper, who had warned our nation over a decade ago that we should be doing something about the epidemic, and I had been proud, some 15 years ago when I first came to Congress to sit on his Crime Committee, that sent a warning to the nation and the world that went unheeded, and he, of course, continues to struggle to try to reduce the amount of drugs coming into our great country.

It is my honor to be sitting with the Honorable Claude Pepper.

[The opening statement of Charles B. Rangel appears on p. 88.]

TESTIMONY OF HON. CLAUDE PEPPER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. PEPPER. Thank you very much, Mr. Chairman, for your generous words of introduction.

Fifteen years ago, for four years we had a Crime Committee in the House of Representatives which I had the honor to chair, and you were one of the most distinguished members of that committee and made us one of the greatest contributions to the effort that we made to stop even then the beginning of the large flow of drugs from Central and South America into our country.

I am profoundly grateful, as all of our people are in Dade County, and our distinguished Governor, who will speak for himself later, that you are here with your distinguished committee. My distinguished colleague, the Honorable Larry Smith, he is just to the West and North of me here, and our distinguished colleague, Mr. Gilman, from New York, it means more than we can tell you to our people to have your great committee focusing new attention upon this grave problem that affects our community and our country, especially our state.

In the United States as a whole, crime has increased about four percent, but in our nearby city, one of the large cities of Florida, Hialeah, crime has increased; and in Miami, it has increased about 12.5 percent, and those increases are due largely to the inflow of drugs into our state and country.

It is estimated that about 18,000 flights a year bring drugs from Central and South America into our country, and as to what those drugs are doing to our people—I have a headline in the Herald, "Second Suspect Charged in Abduction Beating," next one is "Passenger Shoots Cabbie in the Back, Woman Killed When a Gun Goes Off"; next one, "Man Found in Intercoastal, One Killed, One Wounded on Northeast 17 Street."

Our police authorities tell us that the great majority of those crimes are committed in respect somehow or another to drug deal-

ing, either it is a murder as a part of a robbery on the part of an addict to get more money to buy more drugs or a fight over the direction of spoils of the drug traffic or something else. It has congested and clogged our courts today, and today it constitutes an immeasurable menace to the safety and security of our people.

The President's Commission on Organized Crime has recently said that the drug aggression into our state and country, the primary victim of it is the violation of our national security. What if 18,000 planes a year were dropping bombs around over the United States killing our people? What if ships were bringing in bombs that somehow or another were secretly dropped ashore, dropped around our people, and report after report of people being killed by such acts? That is an aggression against the security of our country.

And a few years ago, we began to bring into this fight our great national military agencies that are designed to protect the security of our country, the Army, Navy, Coast Guard, DEA, and others, and they have done a good job with the means that are there. We, in Congress, are embarrassed to have our people know that the funds for the Federal Government to sustain the effort of these military agencies to save our country's security are being diminished by reduced funds.

The President makes a great effort in Washington, and to the Congress, to keep up a high level defense fund. We wish our President would put the same emphasis upon defending our people against means of aggression which are killing and wounding and maiming so many of our people and victimizing them in the loss of their life.

This is a matter, it seems to me, of our national security, and your great committee, Mr. Chairman, is the most vocal and most effective voice I know that is emphasizing to the Congress and to the country the problem that we have to face.

I just want to conclude, Mr. Chairman, by making just a few recommendations that we might consider in the Congress to aid your committee.

One, impose a minimum mandatory bail on all persons charged with a serious drug offense in the amount of $250,000, plus an amount equal to the street value of the drugs involved in the offense.

Second, require a judge to deny release on bail to any person charged with a narcotic offense who: (a) Has previously been convicted of a felony narcotics offense under state or Federal law or foreign law; (b) is on parole, probation, or other conditional release for a felony offense under Federal and state law; (c) is an illegal alien; (d) was arrested in possession of a false passport; or (e) has been convicted of being a fugitive from justice.

Three, prohibit the granting of a suspended or probationary sentence for persons convicted of importing or exporting controlled substances, or manufacturing or distributing a controlled substance. Those already on probation should be required to submit to random urinalysis testing and if found positive, they should be returned to prison.

Four, amend the Federal Criminal Code to provide that the proceeds from Federal drug forfeiture, bail and fines imposed on drug

offenders be transferred to a trust fund administered by the Drug Enforcement Administration. Distribution would be 50 percent for Federal level drug enforcement, treatment and education; 20 percent to effective state and local programs in drug enforcement, treatment and education activities; and 30 percent to states on a per capita basis for law enforcement, treatment and education.

Education and treatment are two of the critical means by which we can diminish the the market for these drugs. In the state of Florida, we get only $15 million a year for that kind of program for the Federal Government.

Five, allow reimbursement to state and local law enforcement authorities for the cost they incur while investigating drug offenses which contribute to the recovery of Federal taxes. Despite the fact we have had additional judges made available, we are still gravely short of judicial skill and talent here as to the number of judges to keep the courts able to deal with anything like the current state of the drug problem.

Six, increase the number of assistant U.S. attorneys nationwide.

Seven, permit the Customs Service to participate in the gathering of foreign intelligence.

Eight, allow the Customs Service to perform investigative, intelligence, and law enforcement functions within this country, beyond the borders and ports of entry.

Nine, significantly expand the use of the Customs canine enforcement teams to search for drugs at points of entry into the United States.

Ten, increase the funding for education and treatment programs.

Mr. Chairman, I ask unanimous consent that my statement be put in your record. Let me thank you in the warmest way for the immeasurable contribution you are making to our people.

[The statement of Claude Pepper appears on p. 96.]

Mr. RANGEL. Our committee would not be able to receive the support we do in the Congress if the issues were not treated on a nonpartisan basis.

No voice is stronger than the ranking Republican, Ben Gilman, who serves on this committee and serves his nation in trying to fight the international narcotic problem we face.

Mr. GILMAN. Thank you, Mr. Chairman.

I welcome the opportunity to join with you and with our colleagues today to take testimony from our distinguished panelists on drug trafficking abuse in this key region of South Florida. I want to acknowledge the presence of our distinguished colleague, Mr. Pepper, who has been an outstanding battler in this issue before the Congress and for the entire nation, and the gentleman from Florida, Mr. Smith, who also serves as the chairman of our International Narcotics Task Force of the House Foreign Affairs Committee and has been doing an outstanding job in focusing attention on the international aspects of this problem. I want to praise both of these gentlemen for their tireless efforts in this war.

I am also pleased that we will have the opportunity to hear from Governor Bob Graham who is a strong and dedicated leader in this fight.

Since the establishment of the President's South Florida Task Force under Vice President George Bush in 1982, millions of dol-

lars have been poured into a concerted effort to reduce the supply of drugs in south Florida and the entire nation. As a result, heroin, cocaine, and marijuana seizures have increased dramatically in the region. Cocaine seizures have increased sixfold since 1982, and yet the quantity and quality of cocaine in the nation as a whole and the south Florida area in particular is greater than ever before, and the price for this deadly drug has fallen steadily. Just last year alone over 20,000 kilos of cocaine were seized in this region and translated into street value, that would be over $100 million.

Heroin seizures have also increased sharply, but heroin availability and abuse in the Miami area has also increased sharply. Despite the great cooperative successes of operations Hat Trick I and II, marijuana remains abundant in the region with no sign of decline.

It is obvious that the successes we have achieved through increased enforcement actions have not stopped the drug traffickers. It seems that the more drugs we seize, the more drugs are produced for consumption.

On our recent study mission to the Southwest border of the United States, we discovered an all but uncontrollable situation with drugs entering our nation from Mexico. Our 2,000-mile border with Mexico is a sieve, thousands come across that border, with massive amounts of narcotics flowing through that border. And when combined with the drugs continuing to enter our nation from Florida, we are presented with nothing less than a crisis situation.

We have been told by law enforcement officials that there is no way enforcement alone can solve the drug trafficking problem regardless of the resources brought to bear against the drug traffickers. They indicate that what is needed now is a massive education program, coupled with our best enforcement efforts, as the only possible solution. We have been giving too little attention to demand over the past few years. And yet with a Federal education budget of $18 billion, we spend only $3 million on drug education programs, and face the prospect of further budget reductions in both law enforcement and education.

That is one of the reasons we joined in an effort to provide more funding for education by way of legislation and more funding for our local law enforcement officials by way of legislation.

Hopefully today's panelists can help provide us with some recommendations as to how we can best combat the drug traffickers who are causing so much misery for our citizens and who are undermining our institutions. We are running out of time. We are losing the war on drugs, and we need to develop urgently a comprehensive, coordinated drug strategy to combat this deadly drug menace.

I look forward to your testimony and suggestions.

Thank you, Mr. Chairman. We welcome the suggestions that have already been made by our distinguished colleague from Florida, Mr. Pepper, and they are deserving of further review by our committee.

[Mr. Gilman's opening statement appears on p. 99.]

Mr. RANGEL. The chairman of our Foreign Affairs Committee, Dante Fascell, has joined in the request that our committee come to Florida. We had an earlier date scheduled which we had to cancel because of legislative business on the floor. When we re-

scheduled it, unfortunately, Chairman Fascell could not change his schedule, so he asked me to tell you, Governor, that he wanted to be here, and I will be entering at this time, with the consent of the committee his statement into the record.

[The statement of Dante B. Fascell appears on p. 101.]

Mr. RANGEL. We do have the chairman of the Task Force on International Narcotics, and he has held hearings on Cuba, Bulgaria, Nicaragua, and a member of the Select Narcotics Committee and a forceful member of the House in terms of demand and supply as relates to narcotics. Congressman Smith.

Mr. LAWRENCE SMITH. I am very grateful for you having decided to hold these hearings in Florida. We in this community are grateful for your leadership all around the country, in trying to do something about this problem, and Lord knows, you have your own problems in your home area, New York, and we share the desire to for once and for all coordinate all our efforts, put the assets that we need into the basket of law enforcement for the purpose of at least fighting the drug traffickers on their own level.

I am also pleased to be here today as a member of this committee, but also as the chairman of the International Narcotics Task Force, because it is very important that we have the kind of coordination that was really just a few short years ago not only not occurring but unavailable, no mechanism by which we could promote or get cooperation between Federal agencies and between them and the state and local authorities.

I want to right now, like you have, pay tribute to the gentleman from Florida, Senator Pepper, my dear friend and colleague who has been in the forefront of this fight for many, many years, going back through much of his career, a person that was so dedicated to trying to make the community better, and it is a shame that we have not come as far as his efforts would have led us, and that is due to a number of circumstances, one of which we find ourselves in again, and that is the lack of funds.

I also want to compliment Mr. Gilman, the Ranking Minority Member, and co-chairman of the task force that I serve as chairman of, who has done an excellent job in helping the task force do its task, but also bringing this issue to the forefront at absolutely every forum, every area that needs to be addressed, Ben Gilman is there to do it, whether it is the United Nations or anywhere else, Ben Gilman is on the forefront with every country, every representative talking about the fight against drugs, and it is something that he needs to be commended for. He is a tireless fighter in this regard.

Mr. Chairman, I believe that we have today begun to realize that this is more of a fight on a coordinated basis than ever before. We need to fight on a number of levels not yet put together. Eradication, interdiction on shore as well as offshore, law enforcement, the legal system itself, education, as Senator Pepper said, and rehabilitation. Those are the areas where we must put our assets, our efforts.

I have held hearings as the chairman, together with Ben as co-chair of that task force over the last four years on all parts of the world, South America, Central America, Europe, the Middle East, the Far East, just the other day we talked about Pakistan and the

problems which are beginning to overwhelm us all over again in a country where we thought we had eradicated most of the problem. It is back with us again, and the fight is long and tough and we started late.

We were way behind, but we are getting better. We are more coordinated, working together more efficiently. We are getting more cooperation from our neighbors in this hemisphere and the Caribbean, South and Central America, especially, but as our hearings indicate, we still don't have the assets plugged in to stay day-to-day on top of this problem. We have not yet achieved a level of national maturity to treat this battle for what it is.

We really must continue to fight with the resources we need. Many local areas, such as Florida and here our own areas, Senator Pepper and I, of south Florida, have been doing much more, and we need to back them up. In this state a few years ago, and some of the people here in this audience today, you know, we dedicated ourselves to law enforcement, fighting drugs and passed through the legislature five cent sales tax, much to be used for fighting crime, and especially in this area, that means fighting drugs, and the Governor was on the forefront of leading that fight, even though raising taxes is not a popular issue. Floridians realized that that tax for the purpose of fighting crime was very, very important, and we need to be able to show them that the Federal Government has the same commitment.

If we took just three-tenths of one percent, three-tenths of one percent of the defense budget and directed it to drug interdiction, enforcement and education efforts, we would be doing five times more than we are doing now at the whole Federal level, five times. That is three-tenths of one percent of the budget. We would be fighting the war that Senator Pepper spoke about, because there really is a war against drugs.

If they were attacking us with the bombs that the Senator spoke about, we wouldn't hesitate to defend ourselves. We ought to do it now. The results of this attack against us, the results of drug trafficking are as serious and debilitating to our country as any military assault, in a way more debilitating; because we let it happen, more and more and more of our young people are succumbing.

I recently received a briefing from Admiral Cueroni, who was going to testify today. Unfortunately for us, fortunately for him, he is going on to become the Commandant at the Coast Guard Academy, and I wish him well.

He has been a great, great asset for the Coast Guard and for drug fighting here in Florida. He gave me a briefing about Hat Trick II, which was a massive Federal, state and local effort to interdict and apprehend by the use of a net over and around the North Coast of South America and the Southern Coast of the United States, and I hope that all of you can get that briefing, because it works.

A coordinated effort plugging in all the assets from all the agencies really works, but it is costly, and we need the military all the time, not just from exercise to exercise. We need them all the time. We need the assets in all the agencies, whether it is DEA, FBI or the South Florida Task Force or any of the other numerous task forces, and we must put those assets into place.

Congressman Fascell, who was also a leader in this fight, has entered a statement for the record, Mr. Chairman. Let me just quote an unfortunate circumstance.

The President's proposed budget for fiscal year 1987, in reference to that, Mr. Fascell says, in January, President Reagan was quoted as saying, these two evils, narcotics trafficking and terrorism, represent the most insidious and dangerous threats to the hemisphere today. Nevertheless, the President proposes fiscal year 1987 budget slashes in drug interdiction funding in favor of placing a higher priority on U.S. intelligence and investigative efforts. We need it all in place together, not one part of the drug fight should be cut in favor of another. We need it all.

Mr. Chairman, your hearings will continue to point out the necessity for having a coordinated effort both in the United States and outside the United States. If we can eradicate it before it is ever made into a drug product, if we can interdict it on the high seas, if we can stop it on shore, help law enforcement arrest traffickers, if we can aid the courts in prosecuting traffickers and get the drug rehabilitation and education money in place to start educating our young people, we can win this battle.

It is not going to be easy, and it will take a long time, and we might lose a step and then move forward again, but I have been in this fight in the early 1970s, with the Governor, and now in Congress, and we are infinitely better at doing our job than we were before. When will we catch up to be even? And these hearings will let people be aware and come up with some strategies for getting to that point.

Mr. RANGEL. To assist us in our effort today we have an impressive list of Federal, state and local witnesses that have been involved in this effort for some time, and I am particularly pleased that our first witness this morning is the Governor of Florida, the Honorable Bob Graham.

Mr. PEPPER. Mr. Chairman, may I just tell you how proud we are of our great Governor. He is completing his second term. No public official has been more determined in his effort to help in this problem.

Mr. RANGEL. Senator, let me thank the good people of Florida for allowing us to share your Governor, because he has not just been the Governor of the people of Florida, but he has indeed been a national leader in this struggle and this war against drugs, and Governor——

Mr. LAWRENCE SMITH. Mr. Chairman, we are going to be able to, I hope, very shortly avail ourselves of his talents even more.

Mr. RANGEL. Well, I am staying out of the local political arena because my Governor has some aspirations as well.

Mr. LAWRENCE SMITH. Not for the same seat.

Mr. RANGEL. We will see where all that leads, but the fact is there hasn't been a place that we have gone that Americans have been speaking out that Governor Graham's voice has not been among that leadership.

Governor, I feel in coming into your great state like I did when I was fighting the Chinese in Korea, we were losing more ground and casualties, 20, 30 percent a day, and we were demoralized, and yet ever so often some generals would come in from division rear

and tell us that we were winning and that we had turned this thing around, and that all we had to do was to have patience, and so the committee has gone to every drug-producing country and governments who are now dependent on this—Ben Gilman and I had one of the ambassadors tell us that there is a billion dollar—U.S. dollars—in this country involved in drug trafficking, and they need it.

In addition to that, we read the papers where, as Ben Gilman pointed out, the people in charge of our borders say they can no longer control our borders, and, of course, our people in Washington tell us that the cooperation between local and state law enforcement has never been better, so we are turning the corner, and Chief Justice Warren Burger told me recently he thought the drug epidemic was a serious threat to our national economy, more than Communism.

Those of us from Washington that don't come from Florida are coming down to hear about how successful these great efforts have been. We want you to tell us about the Vice President's interdiction system, how that has worked, and when we go to Boston, as we have, they said the operation has been so successful in Florida, and that is the reason why the ships don't come here any more, and they go straight to Massachusetts.

So you are in the front line, and whatever our great country has in store for you, I hope it is good, because you have paid your dues, and thank you once again for appearing before this committee, and we hope to take back to Washington some of your ideas and suggestions as to how we can win. Thank you, Mr. Governor.

TESTIMONY OF HON. ROBERT GRAHAM, GOVERNOR OF FLORIDA

Governor GRAHAM. Mr. Chairman, thank you very much. I appreciate those very generous remarks and I appreciate the fact that you and Congressman Gilman have come from New York to see firsthand the situation in our state of Florida, and of course we are honored to have with us two of our distinguished Floridians and Americans, Congressman Claude Pepper and my former colleague in the state legislature, now Congressman Larry Smith.

I might say that many of the remarks that have already been made I found to be exactly on point and I apologize in advance for some redundancy, but you have been so thoughtful, Mr. Congressman, in the points that you have made, that some of the issues that I believe should be placed at the forefront of our agenda have already been mentioned. So my remarks will be to second, applaud and underscore, and hope to add an additional word of urgency to their accomplishment.

Mr. Chairman, it is time that we stop talking about our drug problem and face a fundamental fact, and that fact is that we are at war. Our borders are being violated every day by enemy ships, by enemy planes.

A destructive weapon is being smuggled in by the tons—a weapon which kills, which incites our citizens to violent crime, which unravels the fabric of our entire society.

We are under attack by both sophisticated networks and ragtag renegades of a guerrilla force which has complete contempt for our values and our laws.

We are at war with drugs in Florida and across the nation—and we are now challenged to declare that war—to marshal our military and law enforcement and educational resources to fight it—to end the tyranny of the drug dealers.

Because this is a war we can win.

Drug smuggling into Florida is not a local problem with a local solution; it is a national crisis.

The security of our country is threatened. We cannot talk about national defense without talking about defending our own borders. And our borders are wide open. The President himself has acknowledged that fact.

The first step to securing the borders has to be a change in attitude.

A nation which can successfully track and force down an Egyptian airliner and bring terrorists to justice ought to be able to intercept a single-engine Cessna carrying drugs which lands and offloads its cargo in the Florida Keys.

Today an undetected Cessna brings in a cargo of drugs.

Tomorrow an undetected plane could bring in terrorists—and bombs.

In 1982, Vice President Bush declared war on drugs in South Florida and announced the formation of the Vice President's South Florida Task Force on Drugs. What are the results?

Three years later, Drug Enforcement Administration statistics indicate that 70 percent to 80 percent of all illegal narcotics annually smuggled into the United States enter through Florida.

Eighty percent of the cocaine seized each year in this country is seized in Florida, and the amount of cocaine seized doubles every year.

Seizures account for only a fraction of the drugs smuggled across our borders.

And drugs are only a fraction of what is coming in. What is coming in right along with those drugs is crime: drug habits and the burglaries and armed robberies to support them, the establishment of a sinister underworld of dealers and distributors in which homicide and brutality are common currency, the seduction and contamination of our law enforcement personnel by fabulous sums of money, the proliferation of explosive cocaine laboratories in residential neighborhoods—a new barter system in which drugs replace money as payment for stolen goods; overcrowded jails in which more than half the criminals have committed a drug-related offense; broken dreams, and ruined lives. These are also being imported.

This is a war in which we are already engaged, in our homes, in our communities.

The blue-ribbon commission we appointed—The Governor's Commission on Drug and Alcohol Concerns—estimates that over a quarter of a million people in our state use cocaine on a daily basis.

The Commission further estimates that the economic cost of substance abuse in Florida alone is $2.5 billion a year, in productivity lost, in medical expenses, in law enforcement costs.

In 1980, we looked with alarm at rising crime statistics in Florida and we set out to reverse that trend. Congressman Smith and then Representative Smith was a leader in that effort. With his leadership, we increased funding for state and local law enforcement. We enacted tough new sentencing and expanded our State Attorneys' Offices and created ambitious community crime watch and crime prevention citizens groups.

For the next three years crime decreased in Florida.

But drugs kept pouring across our borders. And last year the sheer volume of that deadly industry began to overwhelm our efforts to make Florida a safe place to live.

Our crime statistics inched up.

This year we logged a double-digit increase in crime statistics—drug arrests, armed robberies, home invasions and burglaries by people desperate for drugs or the money to buy drugs.

Sixty-four percent of the homicides in Florida are drug- or alcohol-related.

Local law enforcement officials around the state concede that 50 to 70 percent of the street crime they experience in their districts is directly attributable to the influence of illegal drugs.

In Orange County—the city of Orlando and surrounding communities—a survey of jail inmates arrested for armed robbery, burglary or grand larceny showed that over two-thirds admitted to habitual use of cocaine or marijuana, at least three or four times a week.

Thirty-six percent of the inmates admitted using cocaine within two days prior to commission of crimes.

The average cocaine habit for those users cost from $200 up to $1,600 a week and they financed their habits by "stealing or dealing."

Many of the inmates questioned voluntarily blamed their criminal activity on their drug habits.

Here in Dade County, drug dealers have to invest in heavy security for their houses because break-ins to steal drugs have increased dramatically. And those who don't find drugs to steal still manage to feed their drug habits by burglaries and armed robberies.

Local law enforcement investigations have turned up a new barter system. The cash middleman has been eliminated in fencing operations. Now thieves trade their stolen goods directly for a payment in drugs.

In Jacksonville, law enforcement officials are investigating an even more corrupt barter arrangement. Cocaine is being traded for automatic weapons. The Sheriff's Department says there is a "substantial increase" in drug bartering.

The same criminals who poison our society with illegal drugs are concurrently trafficking in illegal weapons smuggling—contributing to instability and murder in other societies.

Municipalities and states do not have the resources to provide national security. Floridians do not have the means nor the Constitutional mandate to seal our borders.

But Floridians and citizens all over the country—everywhere drugs are distributed—are paying dearly for that lapse in security.

Here in Florida we have seen the problem first and suffered with it in all its complexity. We have learned the hard lessons about what we need to do to win this war against drugs.

We know we can win.

Experience has taught us that victory in the drug war will require a strategy of enlightened collaboration.

And Florida has a responsibility to demand appropriate protective measures from the Federal Government to help us win the war against drugs.

We have minimum mandatory sentencing for drug offenders in Florida. Currently, 1,510 drug offenders are serving a minimum mandatory sentence in Florida's State prisons. That number represents over 5 percent of our total prison population.

That kind of tough sentencing sends a clear message to drug dealers about Florida's intent.

We need minimum mandatory sentencing for Federal drug offenders—but that is only a first step.

Effective deterrence depends upon an efficient court system. The enormous backlog of cases in the Southern District of Florida is an abdication of Federal responsibility to prosecute and punish drug offenders expeditiously.

We need more Federal judges to hear these cases. The critical shortage of judges and the absence of a sense of urgency about appointing new judges is irresponsible.

The Federal Government needs to be more sensitive to local and state law enforcement efforts to stem the tide of drugs pouring into this country. The kinds of investigations, the commitment of time and equipment and specially trained personnel are expensive.

We feel that when a state investigation results in the recovery of significant tax assets to the Internal Revenue Service, the state should get a percentage of that recovered revenue to defray expenses and enable more effort to be put into state and local drug investigations.

The more successful investigations funded, the many more millions recovered for the Federal treasury.

Our final suggestions for stepping up the war on drugs concern our national security. We have long advocated use of the military to enhance the Federal drug interdiction effort.

Any breach of our borders is a threat to our sovereignty and it is the province of the military to secure our borders from such incursion.

This chart indicates the primary routes of drug trafficking from our areas to the South into the United States of America. As Congressman Pepper indicated, the estimate is that some 18,000 incursions occur a year. If my calculation is correct, that indicates that since this hearing has convened, two to three of those incursions have been experienced.

We have lost control of the borders of the United States of America. We are not talking about huge expenditures of money, as Congressman Smith indicated in his remarks. We are talking about coordination among the 37 or more agencies involved in the anti-drug effort and the inclusion of military detection capabilities in a comprehensive plan.

We need coordination and clear commitment in the war on drugs. There can be no move to cut funds where they are most critical.

The proposal to slash the air program of the Customs Service would send a dangerous signal to drug traffickers that we are not serious in our war to stem the relentless flow of drugs into our country.

The Customs air interdiction program needs more support, not less. We are barely stopping 10 percent of what gets through now, according to Customs' own estimate.

And we must recognize that the Coast Guard functions as an integral part of our national security. Therefore, to regard it as a domestic program, rather than a key element of our defense, ignores its mission to patrol our coasts, identifying and interdicting unauthorized vessels and planes which try to cross our borders.

We need to assign these agencies and these functions the importance they deserve and supply them with support—military intelligence and radar—money for necessary equipment and enough trained people to do the job.

We in Florida feel it makes good sense to specially fund these multi-mission Coast Guard programs which result in securing our borders.

We are heartened by two recent developments which represent a step forward in the effort to marshal military resources against drugs.

We have been concerned that Congressman English's bill to create a special detection air wing and support radar, a bill which passed last summer, has not yet been implemented by the Department of Defense.

But it appears now that a workable compromise in that implementation has been agreed upon and that a squadron of C-130s and seven aerostat balloons may soon be in operation, providing additional surveillance of our borders.

And the proposal to utilize our National Guard in comprehensive detection and tracking teams is one we have consistently supported. The use of National Guard personnel, fixed-wing aircraft with look-down radar mounts and Black Hawk helicopters to spot and follow planes entering our airspace under the conventional radar coverage is a sensible plan and long overdue.

By giving chase to drug smugglers and by working with state and local law enforcement agencies to arrest those smugglers, we will make it tougher to violate our borders and to bring in contraband.

Military involvement in the effort to secure our borders is an issue that deserves more than discussion.

Mr. Chairman, as a specific recommendation, I urge you to ask Secretary of Defense Caspar Weinberger to immediately prepare a plan detailing what would be required to sue the military resources of the United States of America to secure our national borders.

We need an evaluation of the cost of defending our sovereignty to be submitted to Congress. Congress can then make a determination of whether or not the defense of our national sovereignty is worth the cost.

Finally, we must look at supply and demand and the increase in drug consumption which robs our children of their futures and our nation of the productivity of its people.

We have work to do at home, too. Education and drug use prevention are inescapable components of any effort to halt the demand for drugs and the terrible effects drugs have on our society.

We have been taking a hard look at the alternatives for drug education and prevention here in Florida and the Governor's Commission on Drug and Alcohol Concerns has established and evaluated programs in every community in our state. We intend to break the habits our porous borders supply.

I would like to enter this report, documenting Florida's efforts to fight drug abuse and addiction, into the record.

Mr. RANGEL. Without objection.

[The information referred to is in the committee files.]

Governor GRAHAM. We cannot continue to pay the price for drugs. We cannot ask our citizens to live in fear, to restrict their activities and to barricade themselves in their homes and to accept an unacceptable quality of life.

We cannot ignore the challenges of a growing state because of a preoccupation with the problems of illegal drugs.

We have everything good to protect in Florida, and that protection has to start with our borders.

Florida is at war against drugs. The nation is at war against drugs. It is a war we cannot afford to lose.

But if we join forces with the Federal Government, if we fight with courage and intelligence, it is a war we cannot help but win.

Thank you, Mr. Chairman.

Mr. RANGEL. Governor, let me thank you for your well thought-out statement.

[The statement of Governor Graham appears on p. 111.]

Mr. RANGEL. I don't have any questions because I don't take issue with any of your recommendations.

I am going to ask our staff to prepare that letter for our Secretary of Defense, and present it to the committee for its approval.

It is normally said when people are doing a good job, other people always ask them to do more. That is what I am going to ask you today, Governor, whether you will join a small group of people that we intend to call together probably in Washington to see whether we can think of ways to focus national attention on these issues that we are talking about.

God knows our committee has been around the country and around the world, yet I challenge people when last they have heard a major address from the President concerning this war—I challenge people when last they have heard from our Secretary of State concerning this war that we are involved in. I challenge reporters to tell me who is in charge of this strategy in the White House, or in the State Department.

Have we ever heard from Ambassador Kirkpatrick at the United Nations speaking out against this, and if she is no longer there, who is there, and have we heard from Vernon Walters since he has been there? What kind of war is going on when nobody knows who is in charge of anything?

You have pointed out what we should be doing and perhaps we can get a group together in Washington to dramatically see whether we can do for the nation what obviously Nancy Reagan has been successful in attempting to do in the prevention area, notwithstanding the fact that with a $17 billion educational budget, only $3 billion of that has been allocated for drug prevention and education.

I hope you will be willing to serve. The substance of what we should be doing is abundantly clear. How can we make it a national issue, and I have invited Cardinal O'Connor, hoping that he would be able to solicit the spiritual leadership of our country to focus on what this is doing not only in terms of humankind, but this committee has seen what corruption has done to democracies abroad, and we can talk about Mexico, we can talk about Colombia; God knows we have to talk about Bolivia, and we don't believe that we are immune from that type of contamination to corruption in government and in law enforcement in this great nation of ours.

And so we hope that you are willing to serve. We won't have the answers, but we know that if we can take advantage of your experiences, that perhaps we can alleviate some of the frustration that law enforcement and public officials and communities are going through throughout this world.

Governor GRAHAM. I would be honored to serve in any capacity that would be of assistance to you and this committee.

Mr. RANGEL. Senator Pepper.

Mr. PEPPER. You have made a magnificent statement and carrying on a magnificent campaign, and we hope we can make the Congress more effective in winning this war.

Mr. RANGEL. Before I call on Ben Gilman, I want you to know that while I talk about our bipartisan effort, I should be honest in saying from time to time he makes me tone down the remarks that I have to make, and I think that is good for the Congress.

Ben Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

Governor GRAHAM. If the Chairman has toned down, some of us would like to see him in his unrestrained character.

Mr. GILMAN. I would second that.

Governor, I was looking over your reducing demand effort. It is a well-done document. Something we have been focusing on is reducing demand. We have been doing too little in that direction, and I note that your committee has recommended several worthy recommendations, something that we find is appropriate for other states.

There hasn't been a mandated drug education program at the lower levels, in the elementary school levels, and law enforcement experts tell us if you don't get to the youngsters by the time they reach 7th and 8th grade, forget about them.

I note that you indicate there isn't a mandatory program in your state. This is a 1984-1985 pamphlet. What has been done to mandate an educational program in the State of Florida?

Governor GRAHAM. We have a decentralized education system in Florida, which most of the curriculum judgments are made at the school district level, of which we have 67. I support that basic principle.

The role which the state has played has been to provide training for teachers, text and other materials for drug education programs.

Most of the school districts in Florida have developed substance abuse programs beginning at the early levels, and the state has supported those efforts.

Mr. GILMAN. So that essentially there is not a mandated program yet in place in the lower grades?

Governor GRAHAM. That is correct.

Mr. GILMAN. What is the state education budget today?

Governor GRAHAM. The state education budget this year from all sources for grades K through 12 will be approximately $4.7 billion.

Mr. GILMAN. Do you know how much of that is allocated for health programs and particularly the drug education?

Governor GRAHAM. I could get those statistics. It would require an analysis of the budgets at the individual school district level.

Mr. GILMAN. I hope it is better than the State of New York, where we thought we had a $6 billion state education budget and only $170,000 has been allocated for all health programs, and now we are appealing to the state administration to do more, and I hope that yours isn't that limited. If it is limited, I hope you will take the initiative to explore that.

What I think we have to do at every state level is to increase the funding and to mandate the programs to provide a more comprehensive education program for the elementary school levels, something that most states are not doing today and I was pleased that your task force has focused on that very problem.

You made known asset availability on seizures. It is my—I recently made a demand of the Justice Department to find out how much we were seizing in assets and cash, and I found that so far in the official reports that for one quarter in 1985, we had seized about $25 million in one quarter.

So it looks to me like we are over $100 million in seizures and that there is a provision that this money can be allocated to states and local enforcement people, and I would suggest that maybe your Attorney General might want to explore that possibility.

You indicate you may have a need for that?

Governor GRAHAM. Yes. We have been anticipating that program and we have with us the head of our Florida Department of Law Enforcement and other state and local law enforcement officials who can give more details.

The specific recommendation that I was making was that when a state or local investigation results in an Internal Revenue Service tax benefit by identifying illegal profits which have not been properly reported for tax purposes, I would like to see a percentage of that made available to the state and local law enforcement agencies which were responsible for the investigating that led to the uncovering of those unpaid taxes. And that those funds would be restricted to funding additional investigations.

It would be to the benefit of the Federal Government, both in fighting our collective war against crime and also increasing state and Federal tax revenues, and it would help offset the cost of what can be extremely expensive long-term investigations necessary to uncover drug trafficking networks.

Mr. GILMAN. I am going to ask our chief of staff, Mr. Cusack, if there is any existing statutory authority for allocation of any of the IRS tax money.

Mr. CUSACK. No.

Mr. RANGEL. If the gentleman would yield, counsel tells me that there is a bill pending in the Ways and Means Committee introduced by subcommittee Chairman Sam Gibbons of Florida to do just that, and I am cosponsor, and perhaps this committee could do more to encourage its passage.

Mr. GILMAN. It sounds like a worthwhile proposal.

With regard to your suggestion that there be a greater number of judges, and we certainly want to see the calendars utilized in the most effective manner and no clogging or delay of justice, we have found in many of the states that there is a backlog and an overflow at the jails. We do not have the capacity to meet the number of convicted criminals.

How is your jail capacity in Florida? Is that affecting the judicial disposal?

Governor GRAHAM. We are very stretched in terms of our jail capacity to the local level, and our prison capacity at the state level. We have had some peculiar circumstances.

I mentioned in my remarks the direct relationship between this flood of drugs and the commission of crime which causes people to get in local jail or a prison. We have another unusual situation in the large number of illegal aliens who are in our local jails and our state prisons.

For instance, we have over 700 of our 27,000 in the state prison system who are under a form of Federal subsidized payment because they represent illegal aliens who but for their nation of origin, would have been deported back to their nation of origin.

In this case, they are Cubans and Castro will not accept their return. And we at this point have refused to take unilateral action to return them.

They add approximately 2½ to 3 percent to our state prison system.

Mr. GILMAN. Is there a prison capacity problem that affects the court disposition?

Governor GRAHAM. We have not—not as of yet at the state level. In some local communities, we have had an overcrowding of our local jails which had resulted in the necessity to expedite release of people out of the local jails.

Mr. GILMAN. Governor, what portion of the state budget is allocated for law enforcement?

Governor GRAHAM. I will supplement the record with that information.

It is a responsibility of all of our general purpose law enforcement agencies. For instance, the Florida Highway Patrol, which is primarily responsible for enforcement of highway laws, has recently added a drug unit, the purpose of which is to detect drugs as a part of their normal traffic enforcement measure.

The same is true of our Marine Patrol, which is primarily responsible for enforcing laws in a marine environment; they have been heavily involved in the drug part of law enforcement, prob-

ably spending 60 to 75 percent of its time and resources on drug-related measures.

I will supplement the record with a more detailed breakdown of what our general purpose law enforcement agencies commit to drug enforcement directly.

Mr. GILMAN. Thank you.

Mr. Chairman, I would like to ask that be made part of the record when submitted by the Governor.

Mr. RANGEL. Without objection.

[The information referred to is in the committee files.]

Mr. GILMAN. Are you satisfied with the extent of cooperation that currently exists between Federal and state agencies that are working in this area to curtail drug trafficking?

Governor GRAHAM. The cooperation has been increased and I am pleased at the momentum and the general level of that cooperation.

The fundamental problem is one of defining what the problem is. As long as we define the problem of drug trafficking as being a domestic law enforcement issue, we are not going to win this war.

We will win the war when we define drug trafficking as a symptom of the larger problem, which is a national security issue, the loss of the control of the borders of the United States.

When we made that change in our conceptualization and then apply the necessary military resources to defend our nation's borders, I think we will make a substantial turn towards victory in this war on drugs.

Mr. GILMAN. Governor, I think the determination as to whether or not it is a national security issue and a priority issue has already been determined.

I think we are now seeing a gradual bringing in of the military further into this effort without getting into actual apprehension, but they have important functions of interdiction, of closing up the arteries of transportation, and supplementing the intelligence efforts that have been undertaken. And I think we are seeing—our posse comitatus laws have been liberalized by the Congress and the administration is now putting pressure on the military services to become more involved in the effort.

Governor GRAHAM. I agree, and I would hope that the committee might give consideration to a request of the Secretary of Defense of a specific program to defend the borders of the United States.

Mr. GILMAN. I think the Chairman has already indicated we would send out that kind of a request to Caspar Weinberger.

Thank you, Governor.

Thank you, Mr. Chairman.

Mr. RANGEL. Mr. Smith.

Mr. LAWRENCE SMITH. Thank you, Mr. Chairman.

Governor, I want to commend you for a very fine statement and tell you that I have certainly been privileged to serve with you over the years and to be involved in this fight against drugs, and I see in Florida that at least if not because of the increased volume, if we are not winning the war at this time in the sense that we are doing better than the smugglers are doing, we have caught up from a position of great disadvantage and our people have the same boats and equipment as the smugglers, thanks to contraband and

forfeitures in Florida, so that local law enforcement agencies have what they need.

At the Federal level, we should have been emulating what we did in Florida in terms of forfeiture. Last year we put in place a $10 million revolving trust fund to allow DEA and Customs to use assets seized, provided for better administrative forfeiture, allowed them to turn the money around and use it for operational expenses to some degree.

We are doing more than we did before, and Florida was a leader in that area for years.

With reference to the military and to Mr. Weinberger, a lot of us have been making that request of him over the last few years. Each year we chip away at some of the isolation of the military from this war. The posse comitatus has been chipping away at what was formerly their refusal.

The Coast Guard being able to operate with the Navy, Senator Chiles' capability of providing funding for a new fleet of Coast Guard vessels, fast and heavy and capable of chasing down the Gulf fast boats, that is a new turn.

But I, like you, share the frustration, frankly, of being rejected for the most part by Mr. Weinberger on most of the issues, still this refusal to accept the fact that a winning campaign will not be mounted until the military is an integral part of the detection and interdiction.

And I think that you will agree, we don't want the military being in the law enforcement business, but we want to be able to have the military share their intelligence and provide us with the assets and the vehicles, ships, planes, et cetera, which would put us in a position to fight the drug traffickers, am I correct?

Governor GRAHAM. Correct. And as you and other members of the committee pointed out, today we know that those 18,000 boats and planes are largely committed to bringing in drugs. That is not the only cargo that they are capable of bringing into the United States.

And the issue of national defense should be that our borders are being violated. That is the fact that justifies the use of the military to defend our borders, because it is too late once the aircraft has arrived to then find that it was carrying terrorists or bombs, which we would all agree are a national security problem.

Mr. LAWRENCE SMITH. Let me take up the issue, you talked about the court system. I know that you were talking about the Federal court system and I agree with you and I want you to understand that a lot of us in Washington share your concern and have been trying to promote the appointment of new judges, especially in south Florida, and there have been delays in the appointment of them for no reason whatsoever, in the sending up of nominees, names to be appointed by the President. And we would like very much to move that forward as much as we can.

I would hope that at the state level you can continue to urge the legislature to appoint or create new judgeships as well, because the fight against drugs is also a state fight, and there is always the problem of having not enough judges, not enough prosecutors, et cetera.

How is the legislature doing this year in terms of money for states attorneys, public defenders and the like?

Governor GRAHAM. Mr. Congressman, we are now at that ambiguous period of the legislative process where the House and the Senate are developing their independent budgets, which will then go to a conference committee for resolution. I feel optimistic that when the next chapters of that process are written, that we will have adequate funding for our criminal justice system from the necessary strength to prevent and detect crime, effectively prosecute and adjudicate and then to punish it.

It is going to take a high level of public interest and concern as it always does in a democratic decision-making process.

If I could add to a comment that you were making, the Federal court system and the state court system tend to be mutually affected by their actions. For instance, a few years ago, whether overtly or passively, there was a prosecution standard in place in the Federal District Attorney's Office in the Southern District, which set a minimum size of a drug operation before it would be prosecuted in the Federal courts.

The consequence of that was that the state was in a position of either ignoring a criminal offense or seeking out state law violations, which that same set of facts would justify. The effect of that was to shift an additional burden of cases into the state court system.

So we have an interest in an adequate Federal criminal justice system not only in order to carry out the Federal criminal laws, but also to, because failure to have such adequacy results in an additional burden, an unexpected and in many cases an unplanned-for additional burden on the criminal justice system.

Mr. LAWRENCE SMITH. We work hard to change the attitude of the U.S. Attorneys in many places on those issues where they would decline prosecutions on a number of cases which were Federal in nature, but which have been discovered initially by state and local law enforcement personnel. I think that has changed to some degree.

Let me commend you for the choice of Bob Dempsey as the head of the FDLE. I think he has done an excellent job, and it is important that a man of his caliber stay in that role.

We are going to have Secretary of Education Bennett before this committee next week. I met with Carlton Turner at the White House, head of the President's Advisory Council on Drug Abuse Education, and I wanted to know what they were doing. Unfortunately, that office is funded by money given to the President at the discretionary level to run the White House, and basically he is not there to do a specific function for the Congress of the United States. But he indicated to me that he works with Secretary Bennett.

I am going to ask Secretary Bennett a number of pointed questions. As Mr. Rangel pointed out, only $3 million out of a huge multi-billion-dollar budget is earmarked for drug programs.

I think and have thought for many years that we need a model program to be developed or model programs to be developed at the Federal level which could then be utilized and made available to the state level for them to be able to put on line new programs, so

you don't show more of those dumb 1960s films about drug education which the kids turn off from, or put the one policeman into the classroom showing the blue pill and the red pill and the cop with the gun comes in and says these are the drugs, no good, don't use them, closes the thing and leaves. No rapport with the kids. But piquing their interest, getting down to the basic level of why drugs are unhealthy for children and how much damage they can do to them for many reasons.

I am hoping that you will be able to talk to the present and certainly the future Commission of Education about implementing at a state level these programs. Go around the state with road shows of drug education that are modern and up to date, and understand the psychology of dealing with 1980s children and being able to educate them as to the perils of drugs.

I might add at this point, the newest weapon the drug smugglers and traffickers have is designer drugs. Not any more just heroin or cocaine or amphetamines or this or even the crack heroin which is now plaguing us and crack cocaine. Now it is maybe three or four little white, maybe not even enough to fill the head of a pin, little white drops which can be carried on the shirt collar and when ingested, take a person who has had no physical symptoms whatsoever, and turn them into a person with advanced Parkinson's Disease permanently after one hit.

California has been very plagued by it and we are beginning to see it in Florida, and we need to have an up-to-date, modern education program for the kids in the schools.

I hope that you will bring that message to the state Commissioner of Education, and I thank you again for your statement. I look forward to working with you in Washington.

Governor GRAHAM. Thank you.

Mr. RANGEL. Governor, is there anything you would like to add for the record?

Governor GRAHAM. I appreciate the opportunity to have been with you.

I will supplement the record as the members have requested. If we can be of further assistance to the committee, we are anxious to do so.

You are doing a great national service, and one of which we in Florida are particularly appreciative.

Mr. RANGEL. We thank you for your contributions today.

Our next panel is the state and local law enforcement panel, the Hon. Robert Dempsey, Commissioner of the Florida Department of Law Enforcement; Janet Reno, States Attorney of Dade County, Florida; Jeffrey Silbert, Dade-Miami Criminal Justice Council, Metropolitan Dade County; Chief Clarence Dickson, City of Miami Police Department; and Nick Navarro, the Broward County Sheriff.

TESTIMONY OF HON. ROBERT DEMPSEY, COMMISSIONER, FLORIDA DEPARTMENT OF LAW ENFORCEMENT

Mr. RANGEL. At this time, without objection from the committee, your full statements will be entered into the record, and some of you may want to highlight your testimony or just deal directly with how you think this war against drugs is going on, and what

recommendations you would have for the Congress in improving that effort.

Commissioner Dempsey, Claude Pepper has told me all about the work that you have been doing down here as well as the Floridian delegation, and we know that it is normally considered a joke when we say we are from the government, we are here to help you, but this committee doesn't intend just to come here and make problems and go back to Washington. We truly believe that Florida is on the front line and that if we can't show some progress here, then it looks worse for the rest of our great country.

So, with that in mind, you are not restricted to your prepared testimony, and I will ask Commissioner Dempsey to proceed.

Mr. DEMPSEY. Thank you very much, Mr. Chairman, and it is a privilege for me to appear before this committee. I have appeared before you in the past on the same issue.

What I have heard this morning and what I have seen of the committee's actions certainly indicates there is nothing I can contribute to your wealth of knowledge to the subject of the drug problem in the United States. Each of you is very informed, and probably far more than I am regarding the drug situation.

I will limit my remarks to a very few. You have my prepared statement.

The impact on crime in our State, that the drug problem has brought, the fact we are at war—and I will highlight my statement briefly. As I and others have said for many years now, we are losing this war, and the fact that we do not have sufficient military involvement has bothered me, and I have made public note of that on a number of occasions, and I must qualify that by saying that Admiral Cueroni in Florida, in his operation, has been very successful, and I cannot neglect to indicate we have had good cooperative operations with most of the Federal agencies and the national military, except with some exception.

I don't think enough is being done. I would like to highlight the fact we are involved in a military situation here by telling you about a recent survey I conducted among the 24 medical examiners in the State of Florida.

We have 24 districts, and I had a survey conducted of those districts, and 15 reported back. During 1985, we lost, directly related to drug overdose deaths, 231 people.

Mr. GILMAN. For what period of time?

Mr. DEMPSEY. 1985. We confirmed deaths indirectly related to drugs, 392, a total of 623 lives lost in Florida in 1985 in 15 of 24 medical districts due to drugs, directly related to drugs.

If you extrapolate that out over the United States, and I am not suggesting that every State should be counted, and we should multiply that by 50, we lose thousands of lives in this country annually to the drug problem.

I challenge anyone to tell me in the last 10 or 12 years since Vietnam, how many lives we lose annually to a terrorist or military action, and yet, we have a military budget and a military capability that is just enormous, and not being directed to the loss of lives that this country is witnessing from an invasion into our country by a debilitating force.

We are losing thousands of lives. There are bodies lying on slabs in morgues all over this country because of drugs, and you only hear about them if they are a celebrity. You don't hear about the countless young people who are destroyed because they are so stoned they drive their car into a wall or jump off of a building or something of that nature.

The war is significant, a real war, costing us lives, as well as its tremendous debilitating effect on the health and welfare of our Nation.

What has been done has been inadequate. Two years ago, I told this committee that we needed to address the demand side. I said, we need to keep up our pressure on every area of enforcement that we can bring pressure to bear, whether it be interdiction, eradication of street level operations, whatever, but the long-range answer to the problem is the demand side, and we have got to develop an ethic, a will, if you will, against drugs in the country.

I was very happy to hear the remarks earlier about the need to have education about drugs, a tremendous resource at the education level. Gentlemen, I think that we are selling ourselves short if we think we are going to deal with this problem through the education system alone.

I am a member of the Governor's Council on Drug and Alcohol Concerns since its inception, and the concept we have developed is that we must develop an educational program that permeates society, not just in the school system, not just K through 12 or 7 through college, or whatever.

We have got to get into other areas of educational activities, the disc jockeys, the sports people, the coaches, the role models. We must get to everybody across society, religious, social, educational, business, talk against drugs and create a concept that there is no drugs and drugs are not permitted in our society.

One other little point, you talk about getting an educational process to the kids from the time they are 8 or 9 years old. You have already missed the boat in some instances. The time we have to get to our children is when we first put them in front of a television set, at 2 or 3 years of age, and they are bombarded to take this, take that, the other thing, to sleep, to feel better, to go to the bathroom.

The message coming across is you need drugs to sleep, you need drugs to do that. We have got to go across the board if we are going to develop an educational process that will reduce the demand side.

If we ever reduce the demand side, the rest will collapse with that. I have to commend this committee, because it is in my mind probably one of the most important committees that comes out of the Congress of the United States. It is dealing with a problem that is crucial and critical to the survival of our Nation.

I agree with Mr. Rangel about the potential for corruption in the small governments, it is happening in our Nation. We see the corruption of police officers, judges, doctors, of lawyers, all kinds of people succumbing, bankers, whatnot, to the greed that comes with the drug profit.

So I urge you to keep up your good work, and it is beneficial to us, and encouraging to us in law enforcement that you are out there telling the message and doing what you can to get legislation.

I applaud House Bill 526, and I did when you introduced it. The bottom line is money. The drug smugglers and the people profiting from this business have plenty of money. We don't have enough, and I am not just saying though money at the problem and it will go away.

Thank you very much.

[The statement of Mr. Dempsey appears on p. 117.]

The CHAIRMAN. State Attorney Janet Reno.

TESTIMONY OF JANET RENO, STATE'S ATTORNEY, DADE COUNTY, FL

Ms. RENO. Thank you for coming to Florida and for your interest in South Florida. The cooperation between Federal authorities and State authorities here in South Florida has been superb.

The United States Attorney's Office, the FBI, the DEA, Alcohol, Tobacco and Firearms, Customs, Secret Service, IRS, I hear stories from other jurisdictions having problems, but it is amazing how well they have worked with us, and are grateful to them.

But I would like to pinpoint a particular issue I have heard so much over the last five years, and I think the most important thing that the Congress should do is find out how it should spend its dollars in this fight.

May 1982, the Dade County Grand Jury reissued a report after hearing from a large number of Federal authorities. One of the issues was narcotics, and one issue was success of interdiction efforts, and this is what the Grand Jury said:

As to the success of our interdiction efforts, we have heard a variety of assessments. In general, we have learned there is no prospect of our stopping the flow of narcotics, but there is a prospect of diverting the flow to other ports of entry of the United States.

That is a modest, even discouraging goal, but given our continuing demand and seemingly limitless supply of narcotics, it is perhaps the only realistic goal.

This is the most important part: Prior to the added resources provided by the Bush Task Force, it was estimated by the Federal authorities who testified that only about 15 percent of narcotics were interdicted. That estimate has now been increased after the Task Force to better than 25 percent due to Task Force efforts.

The Federal authorities have estimated that a 75-percent interdiction rate will be required before drug smuggling becomes economically detrimental to the suppliers. The same authorities indicated that a 75-percent interdiction rate would require a commitment of resources that is absolutely not achievable due to the cost that would be involved in undertaking such an effort.

Now, we hear so many different reports out of Washington and different committees, whether you can interdict cost-effectively or whether you cannot. Commissioner Dempsey has focused on an area that is in desperate need of attention, and that is the demand side.

We have young mothers just becoming pregnant who are addicted, have no place to go in this community, even if they wanted to go, to treat their addiction, to deal with the issue of their pregnancy.

We have 11- and 12-year-old children who are becoming addicted now, and there is no place in this community to go, no clinic to treat them, because of lack of resources. I am not the expert, but I urge Congress to look at the interdiction effort, see if it is working, see if it is having an impact, and see if the dollars could be best spent in demand.

At the same, law enforcement is imperative, and I would love to have a slogan that says, if you get busted for sale, you go to jail, but that is not going to be possible, Mr. Chairman, because the Dade County Jail is about to have a new cap put on it by the Federal Courts that would severely limit our population in the jail.

We are already letting people out too early in my estimation, there are 400 Mariels charged with a crime currently in the Dade County Jail; and if the Federal Government wanted to take some effective action to have an immediate impact on Dade County, they could take responsibility for illegal aliens, entrants and other people who are here at the grace of the Federal Government or illegally incarcerated, impending trial, and so something about them afterwards without burdening local taxpayers, and I thank you, Mr. Chairman.

Mr. RANGEL. Thank you.

Let me save you some time with their interdiction question. Whatever percentage you want, I will find somebody supporting it, so let's not get hung up whether it is 10 percent, 15 percent, 20 percent.

They say what they want and no one can dispute it. The real question is not whether or not it is effective in reducing supply, but whether you, as a part of law enforcement believe that we should be doing nothing in the area of protecting our borders as relates to interdiction.

We know that it is not effective, but we just would hate to believe that we are not going to do anything.

Ms. RENO. Mr. Chairman, if you can't do it effectively and if you waste money doing it, you should not do it. If you can do it effectively at the cost of great monies, you should certainly protect our shores.

I can find every percentage under the book, and that is exactly why I raised the issue with you. The issue is, are we wasting money defending our borders in an ineffective effort or can we defend our borders?

I as an American believe we can defend our borders.

Mr. RANGEL. I assume that you are proud of the law enforcement effort that your office is making?

Ms. RENO. I am proud of the effort. I am not proud of the result. When I tour the streets of Dade County, when I——

Mr. RANGEL. I should tell you that in reviewing the law enforcement effort of your City and my City, that it has little or no impact on the supply. Would you say, give up the effort?

Ms. RENO. Sir, I think my effort is effective in terms of what I do.

Mr. RANGEL. I am saying that I don't see where your effort has diminished the supply of drugs that have been made available to the people within your jurisdiction.

Ms. RENO. What my effort has been doing, sir, is prosecuting people for murder, because for a long period of time, the Federal authorities were dumping their cases straight into our midst.

I have been prosecuting people for murder, a far more serious crime than some bank robberies in the Federal Court and taking every available resource I could and prosecuting for violent crimes the first priority, public corruption for the second priority.

Mr. RANGEL. I am just saying that hasn't diminished the supply of narcotics as a result of your successful efforts.

Ms. RENO. Six years ago, the United States Government here in Dade County said, our responsibility is interdiction, you stay out of the interdiction area. The man on my left has been criticized by Federal authorities for being involved in the interdiction effort, for getting involved in international matters, and so I have tried to focus on street problems and local violent crime.

If you want to talk about the interdiction effort, I have to refer you to the Feds, because we had a massive effort, we had a massive effort in 1979 aimed at supply. It was confused.

I went to Washington three times. Most of the Federal agencies were extraordinarily cooperative. It could have been a massive effort, and after that, I said you want to deal with the international supply.

Then the Feds are going to do it because they are too concerned with international problems, policies, diplomacy and the like.

Mr. RANGEL. Most all of us believe that we have to deal with the question from a preventive measure, educational, protect our borders, have strong law enforcement, and deal with the source countries.

The reason I interrupted this line of testimony is because, it seems as though you were singling out the ineffectiveness of our interdiction, and I would hope that you wouldn't do that, because if you are using success or effectiveness, based on the drugs that are available as a result of this effort, we can take any link in this chain and use the same analogy you have.

I don't believe our interdiction has been successful or diminished the supply, nor do I believe the most capable law enforcement police organization that we have, no matter how effective, is diminishing supply.

I don't believe if you concentrated in our schools, as the Commissioner pointed out, that that is the answer, but I just would hope that you would not ask us to go back to Washington and say, because we have not been able to protect our borders in terms of diminishing the supply, that we should give up the effort.

Ms. RENO. No, sir, I asked you to go back to Washington, get people together so you didn't have one agency going off in one direction and another one in another direction, and look at the dollars you have to spend that you, the United States Congress, are willing to spend for a scourge over America.

I hope you will increase those dollars, because there is a disease of epidemic proportions in America that should be addressed as any other disease. I hope you will take every dollar you possibly can and spend those dollars as wisely and as soundly as you possibly can, whether it be on interdiction, on addressing the demands, on more jails, but I hope it is spent wisely.

Mr. RANGEL. Well, we are trying, and we will take your message back forcefully. Let's hear from Jeffrey Silbert, who is accompanied by Mr. Sergio Pereira, the Dade County Manager.

TESTIMONY OF JEFFREY SILBERT, DADE-MIAMI CRIMINAL JUSTICE COUNCIL, ACCOMPANIED BY SERGIO PEREIRA, DADE COUNTY MANAGER

Mr. PEREIRA. Even though I have not prepared testimony for your committee, thank you for allowing me to say a couple of words before Dr. Silbert testifies.

Again, let me reiterate the previous speakers, I welcome you to our community, and thank you for coming down, taking the interest in listening to our problems, that are put to you today.

South Florida, geographically, because of its geographic situation, has done two things for us. One is we have grown because of that geographic situation, and it contributes tremendously to the growth of our international trade and commerce.

At the same time, the same geographic situation has given us a problem, and notoriety in the area of narcotics we are so familiar with. We want you to take a look at the resources that you have, and reconsider where those resources are being spent based upon the testimony.

We have a crisis in our community, a crisis that is so serious that the report of Dr. Silbert is going to be addressing, our Mayor and Board of County Commissioners will be calling a symposium on crime in our community in the very near future to address how we deal with the problem of crime in our communities, specifically the area of narcotics.

Let me support what the State Attorney General Reno said a couple of minutes ago, as relating to the Mariels in our jails. I have had the privilege of being involved with this issue for five years, April 21 of 1980, when the first 250 people came from Cuba through the Mariel boat lift.

I feel very strongly, and I would say this here, and I have said it before, and Congressman Smith knows this, because we talked about it. I still feel that the Federal Government has not lived up to its responsibility as relating to those individuals, and the fact that we have over 400 of them in our jails, I personally think that it is a sad commentary on the Federal Government, the burden that is being put at the local level, and I urge you very strongly that you address this issue, so we get some relief and we can be on to the business of prosecuting and putting in jail those individuals that committed the crimes we talk about.

I thank you for the opportunity to make this presentation to you, and I will ask Dr. Silbert to continue and address the numbers in the report.

Mr. RANGEL. Thank you. Dr. Silbert.

Mr. SILBERT. My statement relates to this document, and it is available.

Recently, the County Manager, Sergio Pereira, released a major study undertaken to analyze homicide, rape and robbery trends in Metropolitan Dade County from 1979 to 1984. This report, "Crime Analysis and Recommendations for Criminal Resource Manage-

ment," was produced as part of an ongoing Crime Analysis and Resource Evaluation (CARE) project.

The entire CARE effort was initiated in the recognition that there is a need as a community to address the root causes of crime, including high unemployment, particularly among young adults, the problems of school dropouts, drugs, and a host of other social and economic factors.

As a first step, this unemotional review and analysis of crime statistics was conducted in order for the community to begin developing meaningful strategies to resolve these societal problems.

One of the key questions posed at the beginning of the CARE effort was what role were drugs playing in our local crime picture, particularly as it related to violent crime.

Our in-depth study of each police investigative file on homicides occurring between 1979 and 1984 resulted in some very interesting findings.

We learned that a significant proportion of homicides in Dade were related to the sale and/or possession of drugs, including drug ripoffs and informant hits, increasing from 25 percent of all homicides in 1979 to 30 percent in 1984, at which time drug-related homicides became the single largest class of homicide.

It should also be noted that this definition of homicide is extremely conservative in that a less restrictive definition would have no doubt resulted in a higher percentage of homicides being drug-related.

The study further documented the impact of Mariel refugees on the homicide statistics. Between 1979 and 1984, the percentage of homicide victims who were Mariels increased from 0 to 27 percent, while the percentage of Mariel offenders increased from 0 to 21 percent.

By 1984, relative to their number in the population, Mariel victims were 5.5 times overrepresented and as offenders they were four times overrepresented. Their role in drug-related homicides is even more significant.

By 1984, for drug-related homicides, Mariel Cubans accounted for just over half of the offenders and 34 percent of the victims in drug-related homicides.

Relative to their proportion of the total population, Mariel victims of drug-related homicides were six times overrepresented; as offenders, they were nine times overrepresented. However, I must point out that drug-related homicides were already a large proportion of all homicides; 25 percent in 1979 before the arrival of the Mariels.

During the course of our study, we determined that just under half of the victims of drug-related homicides were friends or acquainted with their killers and that 80 percent of the victims in drug-related homicides either participated or precipitated the events leading to their deaths.

During the course of the study, we also made a determination of both the victims and offenders prior arrest history. This was further divided into local or Dade County arrest history, the individual's arrest history in the United States and whether the individual had a drug-related arrest history defined as one or more arrests related to the possession or sale of drugs.

For the period of 1979 to 1984, 32 to 42 percent of the victims had a prior Dade County record, 11 to 16 percent had a prior U.S. criminal record, and 12 to 19 percent had a drug-related arrest history.

For offenders, the proportion with a prior Dade County record increased from 39 percent to 54 percent between 1979 and 1984, those with a U.S. history held steady at 15 percent, while those with drug-related criminal history rose from 16 percent to 20 percent.

For drug-related homicides, these figures are even higher. In 1984, 57 percent of the victims and the offenders had prior Dade County criminal histories. 37 percent of the victims and 30 percent of the offenders had prior drug-related arrest histories.

For drug-related homicides, victims and offenders were twice as likely to have had a prior arrest history as victims and offenders for all homicides.

The victim of a drug-related homicide was 1.3 times as likely to have been under the influence of some substance at the time of his death relative to the proportion of all known victims under the influence at the time of the murder. For known offenders, between 10 and 17 percent were under influence of some substance at the time they committed the murder.

Illegal aliens, although not accounting for a significant number of homicides, were involved primarily in drug-related cases, being two to four times more likely to be a victim and three to eight times as likely to be an offender in drug-related homicides for the period of 1979 to 1984.

The role of drugs could also be seen in other categories of homicide. For instance, offenders in domestic (blood) homicides and homicides arising from an argument were likely to have been under the influence, while victims of domestic homicide were 1.5 times as likely to be under the influence.

Overall, the significant percentage of drug-related crime confirms a continuing need for massive programs of interdiction and enforcement involving all levels of law enforcement and for coordinative efforts such as the Vice President's South Florida Task Force.

In addition, comprehensive programs in the area of drug prevention and education, targeting high-risk youth in particular, must be fully supported and expanded where necessary.

Thank you.

Mr. RANGEL. We would hope the witnesses would summarize to allow more time for questions.

Clarence Dickson.

TESTIMONY OF CHIEF CLARENCE DICKSON, CITY OF MIAMI POLICE DEPARTMENT

Chief DICKSON. I want to express my appreciation for you taking your time to come to South Florida, which is one of the areas impacted the most by drugs, and I also wish to state that the previous statements that have been made covered most of the areas that I want to address.

The fact that we are here in a city in South Florida, Miami, that is very much highlighted throughout the country and internation-

ally as being one of the international cities as it relates to the incoming traffic of drugs, from all over the rest of the drug-producing world, that I, as Chief of Police here, would very much have liked to have given my whole statement.

However, I am appreciative of the fact that you are here and it shows a great deal of interest on your part, and certainly, you are a committee that would be able to help us down here in South Florida.

I come to you as a Chief of Police, and that means simply that I am one of the commanders who are out there in the field, the battlefield, if you will, and who may be bringing to you a battlefield report directly from the battlefield.

I represent, I would say, the ears and eyes of the community as they relate to the results of drugs on the streets of our cities, and Miami being the typical place where drugs have made a dilapidating effect and a deteriorating effect, at the very least, in the streets of the city.

I am the one who receives most of the phone calls, me or my people, about particular kinds of drug-related things that occur that devastate families, cause death, serious injuries, and crime, and those sorts of things.

As far as drugs are concerned, and law enforcement's ability to handle drugs are concerned, I align myself with the State Attorney, Janet Reno, who just stated in so many words the opinion that I myself feel and that is that local law enforcement agencies do not have the resources, nor the intelligence abilities, the manpower to do anything except deal with drugs as they relate to enforcement on the streets, where the final effect of those drugs is shown.

In doing this, last year in 1985, we have done a pretty good job of just that, but that does not help. Last year, in 1985, the City of Miami alone arrested 4,000 drug-related incidents. This is 4,000 drug-related incidents of arrest made by just the City of Miami, and that had very little or no impact upon the final result of drugs as they relate to sale and possession in the City.

This year alone, we already are fully aware that we were topped out in the way of arrests. The local police, and I dare say the Sheriff's Department and the police throughout the country for too long have been taking the fault, or a great deal of the burden on the back of the police for the impact of drugs on the community, not only here in Miami, but this is prevalent throughout the country, that the police must do something about drugs.

This has gone on for a long time, and since the community feels, and we are the most highly visible people out there, feel that as drugs emanate upon the streets of the city, it is ultimately the police department that is accountable, and should be cleaning up those drugs on the street.

The fact that you are here means that we have arrived at a state that drugs is what you have proclaimed here, that there is a war, we must declare war on drugs, using the United States military, to say the least, the Navy, the Air Force, and the interdiction is certainly a positive addition to the fight in the war against drugs.

But as I listen to some of the statements that have been made, I am not too sure that we believe we can win this war on drugs. We

must enter into this situation, and we must enter into the picture with the idea to win, not to just sustain or not to slow down.

We must feel that we can win the war on drugs, and then proceed to put the plants together and the resources to honestly and conscientiously and effectively approach this war with the desire to win at any cost, because what is happening is that we have a love-hate relationship that is needed, and that has in fact been perpetuated and that is, in order to do what is being done to America, as it relates to drugs being poured into this country, number one, it would require a hate for the integrity and a hate for the American people themselves, and coupled with that hate, it requires a love for money that supersedes any desire or love for mankind.

I also will tell you that if we are successful to any degree in the war against drugs, that there are factions that will freely give drugs to American children and young people, so it is not just the social aspect of who can or cannot afford drugs.

It is my belief based on some personal experience, and research, that when we began to see the results of our fight against drugs, and that the price has dropped on the streets as they are in fact doing now in the City of Miami, that there are those who would freely, in order to continue this perpetuating war, and influx of drugs into our community, there are those who will give these drugs freely so the war will not be done until we have reached beyond our borders to deal with those drug-producing countries that strive and live on a day-to-day basis to send drugs into the United States, and to a greater extent to the South Florida borders.

And again, I would like to say that I am quite disappointed that I do not feel free to make my full presentation that I prepared for this committee, but I do appreciate your interest, and the fact that you are here is certainly a powerful step against the war against drugs.

Mr. RANGEL. Well, Chief, I have had the opportunity to read your well-thought-out statement, including its appendix, and the 20 pages with the appendix which will be entered into the record.

We apologize that we cannot give as much time as we would like, but we want to make certain that we hear as many witnesses as we can, and that is the only reason for it.

[The statement of Chief Dickson appears on p. 123.]

Mr. RANGEL. Notwithstanding the arrest, convictions and effective work of your police department, you believe it has had little or no impact on the availability of drugs in the community?

Chief DICKSON. Yes, the reason for that is——

Mr. RANGEL. No, no, I understand the reasons, but that does not mean you believe we should give up in the effort of strict and effective law enforcement?

Chief DICKSON. Exactly. I am saying we need the assistance that is being looked at and recommended here, hopefully that will occur as a result of this meeting.

Mr. RANGEL. Could we hear from Sheriff Navarro?

TESTIMONY OF NICK NAVARRO, SHERIFF, BROWARD COUNTY

Mr. NAVARRO. Yes, sir, Mr. Chairman, members of the committee, I think almost everything has been said this morning. I have been sitting here listening, and you have a copy of my statement.

Mr. RANGEL. We do, and without objection, it is going into the record right now.

[The statement of Mr. Navarro appears on p. 150.]

Mr. NAVARRO. First, I don't believe the drug problem is your problem, the Federal problem, or the State problem or the local problem, it is our problem. I am here to join hands with everyone, to try to continue to fight this ever-increasing problem we have had for the last so many years.

Although I am newly-elected to office in the second largest county in the State of Florida, I have been in law enforcement in excess of a quarter of a century, and worked with drugs most of that time, and I have seen the problem constantly increase, and I really do not see the solution right at hand.

I think that a lot can be said, but I think that we have to go to work, and that is what I intend to do as soon as I leave this room.

I am down here only for a few minutes, for I am dying to go back to my office to go back to work, and yes, it is true that everything that has been said today has a lot of value. We have instituted programs right now that have to be done.

We have reached out into robotics, and we even have mechanical things going right now, talking to the elementary school kids, and we have created the Police Athletic Leagues.

We have the Explorers program for the teenagers, and the programs for every level from childhood up to adulthood.

We have increased the number of men assigned to the Organized Crime Division, and we are part of a task force with every level of law enforcement.

We are doing everything that we possibly can, but I do not believe that this is going to be the solution to the problem. The solution is a reflection that we see in the mirrors, and maybe the enemy is within, and that is what we have to continue to work toward, to make this a better society, and to look at ourselves and reflect on ourselves, and maybe this is where the solution would be at.

Mr. RANGEL. Consumption may be the problem, when you say the enemy from within?

Mr. NAVARRO. Absolutely. It is maybe in the souls of our citizens who are constantly utilizing these substances. They can get away from it. I don't know if education, rehabilitation is to be the solution, or enforcement, and maybe all three combined would be the solution, and maybe we have to continue to find more innovative ways to attack the problem, and maybe looking at the source countries, taking the matter out of the back burner and putting it in the front.

Mr. RANGEL. Maybe we even have to do all of those things?

Mr. NAVARRO. We have to do all of those things, if we are serious about it, and go to work on it seven days a week without any breaks, because it has corrupted and eventually could even destroy us.

I have seen the problem grow from nothing to what it is today.

Mr. RANGEL. I am not missing anything when you talk about the problem may be the enemy from within, not any communist conspiracy?

Mr. NAVARRO. No, no. I am talking about our own society. We are destroying ourselves. No one is forcing anyone to consume any of these substances. We are doing it because we have the superman syndrome, I can control the substance. As long as we continue to feel that way, there will always be a consumption, and I don't care what we do out there, drug smugglers will always devise a method by which they are going to introduce the substances into this country.

We can take the Marines, Air Force, Army, all the Services, someone has to bring it together.

Mr. RANGEL. Commissioner Dempsey said the same thing in a different way, that society has a lot to do with the behavior that we have.

Mr. NAVARRO. I never dream that I will see the day come and it is here, where you would see cocaine refined in laboratories in our back yards, when in my days in the Federal Bureau of Narcotics, they were restricted to Peru and Bolivia. We have one of the largest productions of marijuana domestically.

Mr. RANGEL. This building, Senator Pepper 12 years ago said it could happen here when we had hearings when he was Chairman of the Crime Committee, in the same building on the steps outside when he said that.

I hope we can come together and reverse this process, because you would have to visit the countries that we have in order to see what could really happen here.

Senator Pepper.

Mr. PEPPER. Thank you, Mr. Chairman.

All of us have been immensely interested in the excellent testimony which have been given by this outstanding group of law enforcement officials. As I have listened to their able statements, I began to wonder whether we have the emphasis at the right place in dealing with this problem as has been indicated by some of the witnesses.

I am beginning to wonder if we shouldn't make it illegal to take one of these kinds of drugs, which may make that individual a menace to the community. I can maybe smoke a cigarette or take coffee or take something else as long as it doesn't induce me to do something to my neighbor, rob or burglarize or murder somebody in my community.

Is it an offense under the laws of the State of Florida for anybody to take something, for example, cocaine?

Ms. Reno, can you prosecute anybody that even becomes an addict to cocaine?

Ms. RENO. I can find them in possession.

Mr. PEPPER. I am not talking about finding them in possession, but becoming an addict?

Ms. RENO. I doubt that I could prove they were an addict, but I could prove they were in possession.

Mr. RANGEL. He is asking, is it a crime to be an addict? Someone going through withdrawal, a doctor can give evidence that the

person is addicted, but he is asking, could you prosecute on the basis of knowing whether a person is addicted?

Mr. PEPPER. That is the market that brings all these drugs into the country. I marvel at the number of people who must be buying these drugs to afford that market, 18,000 planes, many ships coming into our country, most of them into Florida.

I look at that army out there, the customers that they are bringing in those drugs to serve, and I begin to wonder if maybe we shouldn't take another look at who these people are, fill up our jails, if necessary, with the customers, and they wouldn't be able to buy anymore, that would slow down the consumption as it were if they were not able to buy.

I would rather lock them up and then treat them, if necessary, give a test to citizens, the students in the schools—maybe we are not putting enough emphasis on drying up the market for drugs.

And the way I look at it, you have got a dam over their behind, which is a great volume of water. There is a great leak in the dam, and here we are down here spending a lot of money and a lot of effort and time trying to deal with the flood that comes through the leak in the dam.

You people are dealing with the aftermath, the consequences of the drugs coming here. And we, of course, know if we could close up the leak, that would diminish the necessity that you are giving to it to try to prosecute those who do something wrong with the drugs that they shouldn't do.

But I am just wondering—maybe I have no right to make myself a menace to my community. We talk about drunk driving; you have no right to drive down the highway where others are traveling if you are drunk and not in proper control of the machine.

Now, we know that the people that are not rich cannot afford the luxury of this addiction without robbery and burglary and maybe murder to cover up the crime. So maybe we should put a vast surveillance system into effect and try to find every addict we can, lock them up. Of course treat them, but at least we will be diminishing the market. We will be reducing the number of burglaries and robberies, and murders.

All of you have testified about the large proportion of the crimes with which you deal attributable to the use of drugs. And yet we are not making any real effort to get at those people.

Of course, if you can catch them in the robbery—but on the other hand, the robbery is the consequence of the drug addiction.

I just asked the able staff director of this committee about how much money the Federal Government was spending on interdiction. He said about, as I recall, about a billion, 800 million dollars.

Mr. NAVARRO. A billion?

Mr. CUSACK. $1,700,000,000.

Mr. PEPPER. Then I asked him about the amount of money being spent on education and treatment. I believe he said about $4 or $5 million. That is less than a third of the amount.

But now as long as there is great profit to be made, enormous profit, great demand, it is almost insatiable, it is going to be a terrific problem to stop these people that are engaged in this nefarious trade from bringing these drugs in here.

So I am wondering, Mr. Chairman, if your distinguished committee and our Congress, the Government, maybe shouldn't give more emphasis to the treatment and education, and let the states make it a crime to become an addict, make it a crime to use one of those drugs that will make me a menace to the community.

Then if I take a sleeping tablet and go to bed, this will make me go to sleep, not go out and kill somebody, but if I take cocaine or heroin, Mr. Rangel spoke very kindly about the work of our Crime Committee in the House. We were four years in existence.

I will never forget the year in New York when we had the coroner of New York as our principal witness and I will never forget the pictures the coroner showed us with young men and women fallen in the corridors on stairways and in alleys with needles of at that time heroin in their arms. They died from an overdose.

By the way, among the drug users of these critical drugs, where would you fix the age limit? Would you say most of them are by people under, let's say, 45 or over 45?

Ms. Reno.

Ms. RENO. Senator, they range from children in elementary schools to people in their 70s.

Mr. PEPPER. Why couldn't we have in the schools, every student in the schools take a drug test just like in other ways, employees and the like?

Ms. RENO. Senator, if you had them take a drug test and they proved positive, where would you put them?

Mr. PEPPER. Well, I would spend my money finding something to do with them, how to treat them.

Ms. RENO. That is all I am suggesting, that you are spending over a billion for interdiction which Congressman Rangel says is not working.

All I am asking is, look and see what can be done. There is now a law that says it is a crime to possess cocaine in this community. Chief Dickson's officers arrest people daily.

We take them to court and the court looks at us like we are crazy because the court has no treatment program to send them to, no jail to put them in, no residential facility to detain them while they are detoxed.

I am asking you to take every available dollar you can find and beginning with treatment, prevention and education, right to the end of punishing that trafficker, and sending him away for as long as you can send him—we have got to keep the pressure on.

All I am saying is, you all from Washington keep telling us there are limited dollars. This county is having to absorb so much of the Federal cuts. We have public housing that is in critical disrepair because of the lack of millions needed to maintain buildings that are over 40 years old, and all I am suggesting is make sure you use every available dollar.

I think Commissioner Dempsey, Chief Dickson and I will tell you that in the treatment and prevention, the demand issue is as important as supply. The issue that I am asking is for somebody in the military to tell us how much it would cost to really interdict enough of the stuff to make a difference.

Your Chairman says he can give us every percentage and that was my point; if we are spending over a billion without getting any

impact for our buck, why don't we look at something else, look at more jails, so he can put the people on the streets where we know we can make the difference. If we could send everybody convicted for selling drugs on the streets to jail and make that slogan stick, I think that would have an impact, and every law enforcement person I have talked to in this community believes that it would have an impact.

Then if you had enough money to provide residential treatment programs for people busted for possession so we could treat them, I think that would be better and we could have a real impact.

Mr. PEPPER. You have stated the objective of all of us, but I think you are wise to put emphasis—now, the state, for example, by the way, state enforcement officials, do you prosecute for handling drugs as well as the Federal Government?

Ms. RENO. Yes. What we have done——

Mr. PEPPER. Dealing in drugs is a state as well as a Federal crime?

Ms. RENO. Yes. We have tried to focus on the drugs within our borders.

Mr. PEPPER. How would you say prosecutions for dealing in drugs are divided in Dade County between the Federal and state courts?

Ms. RENO. I don't know because you can't measure it in terms of cases. We have far more cases, but the Federal Government takes the big interdiction and cash flow cases.

Mr. PEPPER. Maybe the Commissioner knows; how much is the State of Florida spending on education and treatment for drug addicts?

Ms. RENO. I think the State of Florida is probably spending less than $2 million total statewide for something like that.

Mr. PEPPER. How much?

Ms. RENO. Less than $2 million statewide. I don't have the exact figures.

Mr. PEPPER. As far as we know, now, then from those figures, the $15 million figure that I gave that the Federal Government gives the State of Florida, that is $15 million and the state spends $2, that is $17 million, and yet the total expenditure is about $1,700,000,000 by the Federal Government.

So it seems to me that this hearing has emphasized two things. One, we should really tell the President and the Government of the United States and the Congress if we are going to protect our country against invasion, another kind of terrorism, we have simply got to go to grips with it in an effective way as we would if trying to win a war.

The other thing is we have to put a great deal more emphasis on drying up the source, the customers for these people that are bringing in the drugs, setting up, going into the schools more effectively. The state needs to contribute a lot more money.

We have the primary responsibility for education. The state should not limit itself just to $2 million for treatment and education with respect to drugs, it seems to me, and the county commissioner and the cities will have to make their contribution as well.

Ms. RENO. Congressman, I have just come back from Tallahassee. I have been dealing with the county manager and listening to a distressed housing authority says how little dollars they have be-

cause of budget cuts. The people of Dade County are paying and paying through local ad valorem taxes.

Somehow we have to develop a coordinated effort not just in the area of drugs, but in the area of public housing, in the area of education, in many different areas so that we coordinate from the city on up, but I can assure you that local taxpayers are paying far more than their fair share for public services here in Dade County.

Mr. PEPPER. Nobody could agree with you more than I that the tragedy, and that is basically the sentiment of those of us who are here from Congress today, the unspeakable tragedy of what our national government is doing—they call themselves improving the government by getting the government out of things like this, improving the country. They are neglecting the basic needs of our people.

As you know, here in Dade County we are suffering from it. They are suffering in New York and every other part of America from these unwise, unjustifiable, I think almost criminal cuts in programs that the people so sorely need.

You know, I don't subscribe at all to the policies of this administration that it has inflicted those tragic cuts upon our society. I think America is paying a terrible price for the folly of that bad decision.

If there ever was an instance of being unwise in the use of money, it is to deny the funds that are necessary to keep people from becoming drug addicts leading to murder and robbery and rape and all other kinds of crimes in our society.

So I think I will say this in conclusion. I think we have got to come to grips with it from the viewpoint of our government role in interdiction, and I think we have got to put a lot more emphasis upon education and treatment. And I would like to see more legislation to prevent addiction and to deal with addicts than we have on the books today.

I am sorry to take so long.

Chief DICKSON. Congressman Pepper, in your conclusion, I would like to say that once again, your perception as always—is amazing me once again. I am amazed at the perception that you have shown here by even the simple statement that what is needed is to attack the demand and dry up the demand is one way of attacking the blatant drug problem that is spilling over into our streets.

Two months ago we began to do just that from the street level and in order to do that it is an expensive proposition on the part of the police department. I had to take at least 50 percent of my on-duty personnel and develop a 100-man police army and sweep through the drug infested-areas of the city because no single one-man police car or two-man police car working in a zone is going to be able to deal with the drug problem.

The only solution was to bring my police officers together as an army and sweep through and take over the drug territory and leave undercover police officers there to sell to the customers who were coming from miles away into that area to buy the drugs. And when they came in to buy the drugs, the area that we had taken over, we were able to make the arrests when they came in to buy the drugs. We confiscated the cars and we put them in jail.

At that level, dealing with these people who are coming in to purchase and buy, the word spread like wildfire that it was not safe to go into these areas to buy drugs as if there was an open flea market situation, and I say now that there has been some visible effect that has taken place.

But the problem is when we made these arrests, and we made hundreds of these arrests over the last two months by using that method of arresting the buyers, but the problem still exists as to where are these people going to go and where are they going to be placed when they go before the judge, and when the case is successfully—the cases are successfully prosecuted, they will not get jail time because it is not one of the priorities at this time for allocating jail time because of the lack of jail space.

And all I am trying to say is that law enforcement, the police departments, the prosecutors in the criminal justice system basically are doing their job. There is just no outlet when they arrest and prosecute a case for those people to go to keep them off the streets long enough to give us a chance to catch a second wind.

So part of the system is working. That is the part that needs some help right now.

Mr. RANGEL. Mr. Gilman.

Mr. DEMPSEY. Mr. Chairman, may I be excused? I have to catch a plane.

Mr. RANGEL. Let me see whether any of the members would want to inquire of Mr. Dempsey.

Mr. GILMAN. I think we recognize that this is one of the most prevalent of all the crimes that we have in our region, is that right? Would you say that is an accurate description?

Mr. DEMPSEY. Not just the crime, the possession of drugs, but the crimes that spin off.

Mr. GILMAN. Drug-related crimes is the most prevalent crime in your region?

Mr. DEMPSEY. That is correct.

Mr. GILMAN. What percentage of your budget is allocated to this?

Mr. DEMPSEY. I spend 58 percent of my budget, roughly $57 million on fighting the drug problem and organizing investigations on a major scale.

Mr. GILMAN. What portion of your personnel are allocated to this problem?

Mr. DEMPSEY. It is very different to pinpoint the proportion of personnel.

Mr. GILMAN. Roughly what, would you say?

Mr. DEMPSEY. I would say probably 60 percent.

Mr. GILMAN. Let me address that to the other panelists.

Mr. Silbert, what portion of your budget is allocated to drug crime?

Mr. SILBERT. Our office is mostly staff related. We have a percentage that deals with anti-drunk driver, which is alcohol related, and can be drugs also.

I would say that it is—we are not enforcement in that regard. We are staff supported.

Mr. RANGEL. If the gentleman will yield, Commissioner Dempsey was asking to leave.

Mr. Smith doesn't have any questions, so——

Mr. GILMAN. One more question, Mr. Dempsey.

What would you think is the most important demand that you would like to make of the Federal Government to help you in your effort?

Mr. DEMPSEY. Frankly, I would like to see them escalate all their activities across the board, interdiction, eradication, major investigation by DEA, but I would like to see them escalate dramatically their efforts on the demand time, and that goes to the educational concept.

I think that Congressman Smith has his finger on the pulse when he says, let's take some of the defense budget and put it into the drug fight. Three-tenths of 1 percent probably could mount a major, massive educational campaign in this country, and I am not talking about through the education system alone. Television, radio, newspapers, magazines—we have to get out the message that drugs are bad.

We cannot stop on the interdiction front because if it is not 100 percent, everything that we are doing is providing some effect that must be maintained.

Mr. GILMAN. Is your state education system adequate in this approach?

Mr. DEMPSEY. Yes, the state education system is represented on the Governor's Council on Alcohol and Drug concerns.

I think it is a mistake to think we are spending $2 million. You cannot quantify how much resources are going into the effort by saying how much dollars are earmarked for that. People are doing things about drugs, the parent-teacher groups, and you don't put a dollar sign on what they are doing.

We have programs with athletes and celebrities that you don't quantify in terms of dollars and cents.

Mr. GILMAN. The program in place now, is that an adequate and effective program?

Mr. DEMPSEY. It is working and it needs to be developed further.

Mr. GILMAN. Would any of the other gentlemen care to inquire of Mr. Dempsey?

Mr. RANGEL. Mr. Smith said he didn't, so I don't think there are further questions of the Commissioner.

We want to thank you for your contributions and if we have further questions——

Mr. DEMPSEY. I will be available. And thank you again, and I applaud the work of this committee.

Mr. GILMAN. Chief Dickson, I note you are stating that you have an excellent RICO extension for the state but few use it except for statewide grand jury indictments. Why don't they use it more?

Chief DICKSON. From my perspective, it is not profitable for us to—as profitable as others for us to use it. As a matter of fact, the least that can be worked out in my own opinion is that 50 percent of the effort and costs related to any successful—I'm sorry, 25 percent in costs would come back to the prosecuting police department, the department that made the case.

We have been working with the state attorneys office and as a matter of fact we have a resolution going before the city commissioner to finance a RICO unit for the Miami Police Department. Hopefully that will help alleviate our problem.

I was speaking on behalf of the South Florida Police Chiefs on that.

Mr. GILMAN. Do you use RICO?

Ms. RENO. Yes.

Mr. GILMAN. Has it been effective?

Ms. RENO. Yes.

Mr. GILMAN. Why isn't it used more frequently?

Ms. RENO. I think we use it where appropriate, where the police agencies bring us the cases.

Mr. GILMAN. I understand that forfeiture of real property investments is nonexistent in the state, county and municipal levels, according to your statement, is that right?

Chief DICKSON. To say virtually nonexistent at the time that was written might be accurate, but at the very minimal, non-noticeable, I would say.

Ms. RENO. I would have to take exception to that. What we do here in Dade County is if we institute a forfeiture proceeding, it goes back to the general revenue fund of the state since we are a state agency. So what we tell the local police agencies is, if you are involved in the case, you should institute forfeiture actions, and there have been a significant number of actions instituted.

Some of the small police departments have even hired private attorneys to effectively prosecute these actions, and I believe Chief Dickson's department has handled a number of forfeitures.

Mr. LAWRENCE SMITH. Would the gentleman yield?

I was one of those that helped write the RICO statute in the state. In 1982, we confiscated at the state level alone three times the amount of forfeited assets in real property alone than the amount of money it took us to run the whole department in the attorney general's office.

Mr. GILMAN. Is that fund available then to the state and local agencies once it is forfeited?

Mr. LAWRENCE SMITH. The fund from real property is not. All the generated assets from RICO, if it is a state action, go back to the state treasury.

I would be curious as to whether or not when a local police agency is involved, whether there is a sharing process in the state. We have the sharing process in contraband forfeiture, but I am curious about RICO in terms of the working arrangement.

Mr. NAVARRO. If we work a case with the state, as the Congressman said, the assets go to the state because according to how the statute was written, that is the way it is.

There are also prorated amounts that would cover some of the expenditures.

Mr. GILMAN. They come back to you?

Mr. NAVARRO. The Government law enforcement agency has incurred during the investigation.

Mr. GILMAN. If you don't work with the state, what happens?

Mr. NAVARRO. We either work with the local state's attorneys office, at which time—he wrote the law—he comes back to us and sometimes if we work with the Federal Grand Jury or the Federal prosecutor, we also get a prorated share back.

We just received a check the other day; as a matter of fact, I think it was one of the first ones given out from the Drug Enforce-

ment Administration in a case in which we contributed *X* number of manhours, which amounted to about 80 percent of the investigation that was conducted.

Mr. GILMAN. That was a Federal investigation?

Mr. NAVARRO. Well, it was initiated by the Broward County Sheriff's Office—but it had a multitude of jurisdictions it had to travel through, and the best prosecution would have been in Federal court, so we took it to Federal court and the DEA gave us a check back for 80 percent of the assets confiscated from that investigation.

Mr. GILMAN. Ms. Reno.

Ms. RENO. No, because anything we get has to go back to the general revenue fund. Here the county can set up local law enforcement trust funds so we waive our interest and let the local law enforcement agencies proceed in forfeiture.

Mr. LAWRENCE SMITH. The State Attorneys' Office is funded by the State of Florida, so revenue goes back to the state treasury.

The Sheriff's Office is funded by Broward County in taxes, so anything in which they have had a hand, they are reimbursed or given assets to the extent of what is worked out to be their share on RICOs.

On other items, contraband for forfeiture, where there is a direct seizure, they can keep that money and some of that under the contraband statute may be put in a fund which they may use for nonoperating expense dollars, so where their budget is funded for operating expenses by their governing agency, they can have an account set up; if they seized a half a million dollars in cash and it was forfeited to the Sheriff's Department, that money can go into a fund which can be used for the purpose of investigation.

Mr. DEMPSEY. The municipality does not have the same privilege. The municipalities receive their residual effects from the forfeiture fund which goes into the law enforcement trust fund accounts, but as to RICO we cannot reap a profit of real property confiscation, only the boats, cars, et cetera.

Mr. GILMAN. Let me ask all the panelists, are you receiving what you consider to be a fair allocation of funding for the kind of prevalency we have in this crime of narcotics, if you compare that problem to the overall budget, are you allocated a sufficient amount, and are you receiving a sufficient amount to take care of this problem?

Ms. RENO. The answer to your question is, I am not receiving a sufficient amount. We have submitted a formula to the state of Florida for the legislature and that formula has not been funded even by the current appropriation proposed in the Florida legislature.

Mr. GILMAN. How much did you request and what was denied?

Ms. RENO. My present budget is approximately $15 million for what has been requested based on the formula, which people generally concede is probably fair, and they should phase it in, is $20 million.

The legislature has indicated we will probably receive close to $17 million if the Senate version is approved, less if the House version is approved.

Mr. GILMAN. What portion of your budget is used on narcotics?

Ms. RENO. We estimate that probably 50 to 55 percent of the crime in Dade County at the bottom line, and one circuit judge estimated 75 percent is drug related, our budget is approximately 90 percent staff——

Mr. GILMAN. Do you have a separate unit that prosecutes narcotics problems?

Ms. RENO. We have a separate narcotics unit that prosecutes the major trafficking cases, but that has been severely reduced because of the increase in class 1 violent crimes.

Mr. GILMAN. So while trafficking is going up, you are reducing your budget to that division, is that correct?

Ms. RENO. That is correct, to meet the narcotics-related crime that is coming through the doors in the form of police arrests.

Mr. GILMAN. Do you have any backlog of cases for narcotics prosecution?

Ms. RENO. You don't have a backlog in one sense in Florida because we have a speedy trial rule, but it is difficult to get the drug cases to trial, because they are multi-defendant cases, nobody wants to plead, because they face 15-year sentences; it is difficult to get various lawyers into one state court.

You have to plan well in advance and send messages all over the country saying, This lawyer is scheduled to be in my court in six months and that case is going, and I want to put you on notice. It is extraordinarily difficult to get the cases to trial.

Mr. GILMAN. And you are having more difficulty because of reduced personnel.

You all mentioned the problem of overcrowding in the jails. What is being done to meet that problem?

Ms. RENO. I am not sure what the legislature is going to do in terms of constructing additional prisons in Florida.

Mr. GILMAN. Is that affecting convictions?

Ms. RENO. No, but the sentencing. Florida developed sentencing guidelines in 1983. The low range is anything up to all non-state prison time. The next rung is 12 to 30 months in the state prison.

Because the case loads are increasing, the courts, because of limited resources among judges, are having to negotiate these cases below the guidelines, so a person that belongs in the state prison system and should be in the state prison system is going to the county jail, and the population of the county jail has gone up dramatically because the state prison system is facing Federal caps, and the average length of time now being served in Florida state prisons is 2.5 percent of the sentence.

Mr. GILMAN. In other words, they are receiving half the sentences because of overcrowding, they are giving them lighter sentences because of overcrowding in the jails?

Ms. RENO. That is correct, and the Dade County jail population is going up, so we are about to have an extraordinarily strict cap put on the jail, and I am hearing Chief Dickson when he calls and says, My policemen say they can't get jail time on a known dealer, and I talk to the judges and they say, Where are we going to put them?

Mr. GILMAN. You are putting them on the street, and these are known dealers?

Ms. RENO. In some instances. We have situations where after I leave the meeting with Chief Dickson, I go to the jail overcrowding

meeting and I am told they have Mariels and illegal aliens there and they have to go to court to have a hearing on the Federal court action on the local jail.

Mr. GILMAN. Have you brought this to anybody's attention?

Ms. RENO. We have brought it to the attention of everyone who will listen to us again and again as long as I have been here. I have been in office for eight years.

Mr. GILMAN. Are all of you having that same problem?

Chief DICKSON. Yes, Mr. Gilman. This problem has been reiterated over and over again everywhere from town hall meetings up to every official that has any capacity to make a decision with respect to this problem.

Mr. NAVARRO. Congressman, in the State of Florida, the Sheriff runs the jails, so I am directly involved in the situation right now in Broward County, which is the county to the north of Dade, the second largest in the state. We have an overpopulation in our jail system, and I am under Federal lawsuit regarding the cut—I have exceeded that cut almost on a constant basis.

I do not have the Mariel refugee problem in Broward County, thank God, but at the same time, we are undergoing the same problems that they are undergoing here. In a way, we are in worse shape because this lawsuit has been going on in the county for nine years.

Mr. GILMAN. Has the overcrowding increased in the last few years?

Chief DICKSON. Yes, it has.

Mr. GILMAN. Has there been any solution offered at all?

Ms. RENO. The Federal Government offered, when Mr. Julian Knee was Associate Attorney General, he offered an interesting program that was implemented by Stanley Marcos, then U.S. Attorney, whereby they assigned prosecutors to us for the prosecution of illegal aliens charged with serious crimes.

We matched them prosecutor for prosecutor, and it was an excellent cooperative effort. Those illegal aliens prosecuted by the task force method could then be put in Federal prisons.

I have had long conversations with Immigration and Naturalization. I think that anybody who is here illegally or who is an entrant at the grace of the American government, that if they are charged with a crime and there is probable cause that they committed a crime, they become the jurisdiction of the Federal Government.

Mr. GILMAN. What percentage are in that category?

Chief DICKSON. Ten percent.

Ms. RENO. The total arrest population, I think that will be reflected in the jail based on the 1982 report, and I think it carries over, indicated the total Mariels were 16 percent of the total arrest population.

How does that tie in with your current figures, Jeff?

Mr. SILBERT. It seems about consistent. I think that the population—the jail stockade, the annex and all is 104,000, so I would guess about 10 percent.

Mr. GILMAN. What percentage overcrowding is there? You say you are over the cap.

Ms. RENO. The cap in Dade County now is 1100. The court has indicated that it may increase the cap. The jail population goes as high as 15- or 1600 on different days, depending on whether Chief Dickson has had a sweep or the City of Miami Beach or the Metro Police Department.

Mr. GILMAN. If that 16 percent of immigrant population were transferred to Federal prison, would that substantially eliminate the overcrowding?

Ms. RENO. It would be a major contributor to eliminating it.

The last meeting of the overcrowding committee in which I asked the director—because we have a home rule charter, so we have a director of the department and not the Sheriff—and I asked him, How much are we over what you would estimate the cap to be? He said, 300 or 400. I said, You mean if we got the feds to take the Mariels, we would be in decent shape? He said, Precisely.

Mr. GILMAN. When the Governor testified, I didn't get the impression that overcrowding was a major problem.

Ms. RENO. It is a major problem at every level in terms of we are going to let bad people out on the street.

You have in Florida, although we refer to trafficking with a minimum mandatory sentence of 15 years, gain time improves and in Florida you can grant gain time up to 60 percent of the sentence, and that includes trafficking offenses.

Mr. RANGEL. Mr. Smith?

Mr. LAWRENCE SMITH. Look, you can come here and tell us about all your problems, and we know about it, and you can tell us when we cut back we are hurting you more, and we know that.

The Senator is right, the cuts hurt. But the reality is, we all have our problems.

The State of Florida is starving you, the county commissioner is starving you. It is not the Federal responsibility to help your overcrowding. We could take the 400 out. That doesn't help the state system. It is overcrowded.

One of the problems is you can't build a jail anywhere. It takes years to get approval to build it and when you finally get the approval, nobody wants the jail where they live. We know that is a problem. That is not a Federal problem.

We know we have problems with addicts on the street. That is your problem and also our problem. We have to eradicate, interdict, have more law enforcement, do everything we need to do in terms of education.

You got into a discussion with the Chairman earlier, Ms. Reno, about the benefit or detriment or the percentage of benefit in putting a lot of money in interdiction. The reality is we fund one more than the other. Then we move on to the other and fund the other less.

We need to be fighting all of these things at the same time at a high level of funding, and we haven't been, and that is the reason we have problems.

Your office needs to have more money, but the state won't give it to you. We need to put more money into education, and we can't get the administration to do it. The Sheriff needs more money, and he can't get it.

We are talking about the symptoms arising as a result of the disease of lack of funding. That is what we are talking about.

I wouldn't abandon 10 cents worth of the interdiction effort we have in this country. I wouldn't diminish it a bit, because no matter how much we are not stopping the 10 or 15 or 12 or 18 that we are stopping would add enormously to what is there if we didn't stop it.

We need to go further with that and add on all the other places where we treat the problems created by the amount that gets through. We are running behind.

They had a 10-year real head-start on us. We watched them put their MOs into place, their administrative techniques, their smuggling groups, and it is only now when we are cooperating and trying to get rid of them, but we are dealing with the problem of all the downside, all the malignant effects that have taken place since then, the addicts, the continuing population, the adoration of the drug culture in this country, because of its seepage in our society, and the acceptance level has risen, the advent of more dangerous and potent drugs, but you are not going to abandon one effort in favor of another.

Ms. RENO. All I am suggesting is that you make interdiction effective, because if it is not, then you should not spend money on it.

If you make it effective, you should spend all the money you can raise on it.

Mr. LAWRENCE SMITH. I disagree.

Ms. RENO. You mean you think we should spend Federal dollars for something that does not produce results? I disagree.

Mr. LAWRENCE SMITH. You are jumping from the cart to in front of the horse. I don't think it is ineffective. I think that it is ineffective if you isolate it only as interdiction and say that because we still have all these other problems and that is not working to reduce those problems, then we ought to change the funding from here to there.

But if you were to fund the others and have an interdiction that then didn't have any funds in it, you would find that you weren't making headway either, which was the point the Chairman was trying to make.

Ms. RENO. I think it is a great point if you can show you are spending your dollars for something producing results, but the Chairman says he can give five different percentages.

I see the GAO reports coming out that say it is not working. I am asking for somebody to say if it could work.

Mr. LAWRENCE SMITH. I just told you it is working.

Mr. RANGEL. Ms. Reno, it is clear that you have made up your mind.

Ms. RENO. No, sir. I am beseeching you. I have not made up my mind. I am asking for somebody to give me some studies to show that it works.

I believe that it could work if you properly fund it and if you coordinated the military with local agencies, you could make it work.

Mr. RANGEL. All I want you to know is that we are on the same side. The only difference of opinion we have is your opinion that if it is not as effective as we would want it, that we should do——

Ms. RENO. I don't disagree with you. It is just a matter of degree of effectiveness. But if it is not working, I don't think you should spend Federal money for something that is not working.

Mr. RANGEL. You just heard Chief Dickson indicate that law enforcement is not working as it relates to availability of drugs. You heard that. You just told Mr. Gilman that you can't even put the drug traffickers in jail.

Ms. RENO. That is precisely why I am here to tell you what we need to do the job. If you don't want me to keep trying, I won't, but I have gotten four different invitations for a matter continued four different times to come here and tell you what was needed.

I know it is effective when I put somebody in the jail and keep him off the streets for five years. I can tell you that that is effective and if I could do ten more, I could tell you that is effective.

Mr. RANGEL. There are a lot of people no matter how forceful you present your case, that disagree, and you should know that, and they don't believe that the answer is in law enforcement the arresting and jailing people. They don't believe it works.

Some people believe that the concentration should be on education and prevention. Others believe the job has to be done overseas. I am not prepared to say merely because the program doesn't appear to be effective we should stop the funding and put the money in some other area.

You and I are going to have to spend some time together and convince each other.

Ms. RENO. You don't have to convince me of anything. Just give me some facts and figures.

Mr. LAWRENCE SMITH. If I may reclaim my time? I concentrate my time, the responsibility I have as the chairman of the Narcotics Task Force on Overseas Operations, I think we are woefully underfunded, how do you like that, and I wouldn't give you a dime for law enforcement?

I will defend your office. The statement by Sheriff Navarro, the enemy within, is absolutely correct. Is the factor that people always want to try something new, different and right now, they are not afraid to do it, because a lot don't have any fear of being caught, arrested or punished.

Give me the money so I can go down——

Ms. RENO. Fine, if you think that will work, that would be great. If that is what you want to do, here is the $15 million if the Legislature will let me give it to you. That is not what I want.

Mr. LAWRENCE SMITH. Excuse me.

Ms. RENO. I just gave you $15 million, Congressman.

Mr. LAWRENCE SMITH. I have known you for a long time, and I know you believe very, very dearly in the cause that you espouse, so do I. Don't try to intimidate me.

Ms. RENO. I am not trying to intimidate you, just give you some facts.

Mr. LAWRENCE SMITH. Let me just say that I would never believe that the people of Dade County would want to fold up their State Attorney's Office, and do away with prosecution, because I told them that the money would be better well-spent in eradicating in Bolivia and Peru and Colombia, but they might believe and rightfully so, if they put their money in eradicating in Peru and Colom-

bia, and put their money into a drug interdiction effort to catch that, which is not eradicated and put their money into the State Attorney's Office, and to the police office and to the sheriff's office to catch that which is not interdicted offshore and prosecuted, and put their money into the penal system to prosecute and punish and incarcerate those that were in fact found guilty of drug crimes and drug-related crimes, they could understand that, but that is not what we are doing.

We keep moving money from one place to another without getting into an overall approach, and there is not a parent in this country who would say absolutely more money to educate my children about drugs, because I am still afraid I am not doing enough, no matter what I do.

Nobody wants to pay for it all and say, sure, raise my taxes because I want the State Attorney's Office to have more money and because the County Commissioner of Broward should give more money to the Sheriff.

Raise my taxes so we can give money over there to give another helicopter to fly some of the troops around in the Bahamas to catch people, they don't want to do that.

They want all the benefits without paying for it all, and somehow, some way, those two things don't mesh.

Ms. RENO. I disagree with you.

Mr. LAWRENCE SMITH. That is the bottom line. The State Legislature tries to fund what it can, because it has finite resources, and has to give you a portion of it, and they are working the same as we are, trying to keep costs down, trying to keep from raising taxes, and at the same time, deliver all those services, but the bottom line is what can we all do together?

What can we all do together? The cops on the street, the State's Attorney in the State's Attorney Office together with the judges and the court system, the Congress of the United States, the State Department, et cetera, and the military, to plug in what we have not really had, together with the one component that is the most woefully lacking, education and rehabilitation resources, what can we all do together to do it?

We can do it if everybody makes up their mind that it has to be done and paid for. That is the difference. You want your budget, the highest you can get to effectively prosecute, Nick wants his budget as high as he can get to do the job on the street law enforcement like Chief Dickson does, and Jeff wants money to be able to make the studies to tell you when you are going in the wrong direction, and you need to come back and move in the other direction.

We want the money to give to the countries overseas in cooperation with DEA to eradicate the crop and its source, and the Senator is right, even on the other end, maybe we need assets to start scaring our young people, if you use it we are going to pay a price.

The bottom line is, we all have to work together. We know the jails are crowded, all of that. It is not a question of fighting with us to get to the point where you may get more from sheer force of will.

The question is whether we are all willing to sit down and we can make your job easier if we interdict enough.

Ms. RENO. I am waiting.

Mr. LAWRENCE SMITH. We like to hear your problems.

Ms. RENO. The people of Dade County, they would be willing to pay, you say the people of Dade County are not willing to pay, the people of Dade County would be willing to pay for a comprehensive program, as Sheriff Navarro said of us all involved, if they knew those dollars were going to be spent effectively.

They would be willing to pay more taxes to beat the drug problem, and what they need is a balanced program that works, everything from education through your eradication.

Mr. LAWRENCE SMITH. I will just say this, I would hope that the County of Dade in cooperation with the State Attorney's Office and all the other components would be working to achieve that now.

If you can do that, on a limited basis, you are much better off than you would be with everybody working separately, and you can prove to the people they can have some confidence in what is done.

Mr. RANGEL. Let me thank the panel. You can see the frustration that exists, lack of Federal leadership in my opinion, but I agree with Congressman Smith, if you have some way that you think that you can do it better, then we are here to listen to those reasons rather than to point fingers at each other.

You are on the front line and we are here to support that effort. We think that you are entitled to a strategy, and a national program that you can support, and we have to keep working until we get it.

Mr. GILMAN. Mr. Chairman, I would like to ask the panel this, after this hearing, if they go back, if you have some specific suggestions, where we can do a better job at the Federal level, I would ask you to put that in writing, submit it, Mr. Chairman, and I will make it part of the record.

Mr. LAWRENCE SMITH. I have one question I think the panel would be interested in knowing, certainly from the two policemen, and Ms. Reno. How prevalent is drug trafficking in and around the schools in this area, in South Florida?

I mean, this is part of a real insidious part of the problem. How prevalent is drug trafficking in and around the schools?

Mr. NAVARRO. At times, we might not be totally aware of the extent because we are not attuned to what is going on in the schools. We are extremely preoccupied with the big picture, especially in South Florida where we have coming to our shores on a daily basis the Cessnas into the big swamps to the west and to our shores, to the neighboring islands.

We have a program called the School Resources Program, where we have law enforcement officers assigned to middle schools, not to high schools, but to middle schools, we have been able to detect yes, there is a prevailing program. We have been able to find there are even houses in the neighborhood surrounding the schools where drugs have been dispensed from, that the kids don't have to wait for someone to come on to the school ground to dispense the drugs.

At break time, they go out to the houses, and they have the substances available to them, although there are individuals coming into the school grounds and doing this. We need to deter that. I don't believe that is as bad as I have heard some of the children talking about it, because children have a way of exaggerating some

of the problem; and when you give them a box to stand on, and they feel the attention; they sometimes tend to give you what they feel is going to contribute to more attention.

I don't think sometimes it is as bad as we have suspected it has been; but at the same time, we do have a problem around those schools.

Chief DICKSON. We have found that a large percentage of the school-aged children either have experimented with drugs before, or in fact are using drugs. However, we find that this does not substantiate the fact that the drugs are sold in the schools.

It means that the availability of drugs to children is there, and I think that one could say in some areas of the City of Miami, around the schools, it is made very convenient for a child to leave the campus, pick up drugs and come back.

We found some school-age children in school, since we in Dade County have a computerized school check system where if a kid doesn't come to school on a particular day, then the computer automatically calls that child's home and advises the parents, and all that child has to do is report to school that morning and then leave.

Now, we have found kids wearing beepers, so that whenever they are needed there, they are beeped, to go handle and go back to school, they are beeped out again. This is a sophisticated system that has developed over a period of time.

The problem runs a little bit deeper than even in my pessimistic way, a little deeper than what I would imagine, what I am aware of. I can say that most of the people who we find are dealing with, or supplying kids with drugs, at least 60 percent have been arrested before, and I think that maybe 50 percent have been arrested more than once, or more than twice.

Back to the basics, I know we are winding down, this may be my last opportunity to say something, Mr. Smith, but I think back to basics, if we are going to declare a real true war on drugs, with the feeling that we want to win, that we are going to win, and I know that is how we feel, we have identified a very important enemy to deal with at this particular time.

I see the enemy, as the Police Chief, the enemy is the inadequacy and the inability to put these people that we are catching away long enough to allow us to catch our breath long enough, so it may act as a deterrent or at least cost the drug economy a lot more money than it is costing them now.

The risk factor does not outweigh the profit factor as it relates to drugs on the street.

Mr. RANGEL. Let me again thank this panel and point out, if you have any more recommendations to make, the record will remain open. We thank you for your valuable contribution that you made to this hearing.

We bring on the next panel, Dr. William Stokes, representative of Miami Citizens Against Crime, and May Waters, representative of the State Education Commissioner. We are running behind schedule.

Thank you for coming this morning. You may highlight your testimony, so the members will be able to inquire. We will start with

Ms. Waters. Give your title or what you do with the State Education Commission.

TESTIMONY OF MAE WATERS, REPRESENTATIVE OF THE STATE EDUCATION COMMISSIONER

Ms. WATERS. Thank you, Mr. Chairman.

It is my privilege to be here and have an opportunity to express what is going on in Florida.

I mailed my summary to Congressman Claude Pepper's office, and it is a summary of drug education efforts of Florida.

Mr. RANGEL. That summary will appear in the record at this point.

[The information appears on p. 85.]

Ms. WATERS. I am Mae Waters, and I serve as a Health Education Consultant for the Florida Department of Education. I am here today representing Commissioner Ralph Turlington, and I am extremely pleased to inform you of the opportunities that are going on in our school system of Florida.

I am through to State Government. However, I speak to you with 20 years of experience in the classroom, to district administration, to state department consultantship. I also serve on executive boards, advisory boards, governing boards of several health professional organizations, so I feel that I come to you with adequate knowledge about health education.

Florida is indeed blessed to have State legislation that has provided some funding for comprehensive health education implementation. This legislation was passed in 1973, and it provides an opportunity for districts to implement health education, both in the coordination and implementation levels.

One of the 10 concepts identified in that legislation is directed towards drug education. Drug education has been available for implementation since 1973. However, specific time and length of programs is left up to each district, as the Governor pointed out earlier, we are decentralized and this lets the districts decide how much time and effort is given to drug education on the local level, and it varies from district to district.

In 1970—excuse me, in 1986, comprehensive health education was funded at a little over $1.4 million. In addition to this K-12 comprehensive health education program Florida again has provided the leadership in requiring a new course called life management skills, and this course is required for graduation, and must be taken in either the ninth or tenth grade level.

Our State has mandated curriculum frameworks, student performance standards; and this means one of those frameworks is directed towards drug education.

By having State curriculum frameworks, the life management skills curriculum is the same in Leon County, in Tallahassee as it is here in Dade County, and Miami.

I will be happy to share copies of those for the committee, if you desire that. In June of 1986, curriculum frameworks for middle schools, middle grades, 6 through 8, will be presented to our State Board of Education for approval, and this will allow districts to

have the opportunity to implement what they feel is needed for their own local curriculum.

Many professional organizations are supporting State legislation to mandate specific requirements in a K-12 drug education program. Parents, medical representatives, volunteer agencies, universities and educators are all supporting this State legislation.

In addition, the health profession is upgrading the teacher certification in the health education area. We find that we will have success, if we all work together. Our updating of teacher certification has already been presented for its second hearing, and has received approval from our educational standards commission, and now goes on in State procedures for preparation to be presented to the State Board.

This proposed teacher certification program will increase the number of hours for certification in health education from 18 to 30. Research released in October of 1985 at the American School Health Conference has been documented and has been published in the School Health Journal.

This provides documentation that school health education does work and is effective in improving health knowledge in the development of positive self-attitudes. This can have a reduction on the demand for drugs.

In monitoring the 1986 comprehensive health education grants, status reports were due into my office within the last four weeks. These status reports indicate that all of our 67 counties in Florida have documented in service for teacher personnel, including drug education, suicide prevention and child abuse education.

Additional in-service activities are being planned for this summer in June of 1986, as well as for April of 1987.

I would be most happy to extend an invitation to members of your committee to attend either or both of these in-service activities. District supervisors are very much aware of the need to provide adequate in-service activities to continue to update our teachers and supervisors in the awareness of drug education.

Most districts have included parents, medical, law enforcement in their educational activities.

Florida is indeed fortunate to have a conference biannually in the area of school health education and the Florida Alcohol and Drug Abuse Association will join with us in 1987 to plan for a preconference, so for the first time, we are going to have treatment and educational personnel represented at this conference.

This conference has proven to be one of the largest in our State. The Governor's Commission on Drugs and Alcohol Concerns has provided leadership in getting the governmental agencies together to work for our youth and educational opportunities.

Our future needs are to provide continued support for a comprehensive health education program, which is a vehicle to implement K-12 drug education. All professionals do agree that education is the best way for prevention.

Let our youth get the knowledge necessary to allow them the opportunity to make the proper decisions to affect their own lives, and we need to identify State requirements which will direct districts to provide adequate time to mandate curriculum for the

classroom teacher and provide the proper training for those teachers.

One of the top programs in health education which has been released in this Journal on School Health is the nationally validated growing healthy curriculum. This is one we will be in servicing this summer in Tallahassee, June 16 through the 20th.

I appreciate the opportunity to share what is going on in Florida, and I stand ready to assist you in any way possible. Thank you.

Mr. RANGEL. Thank you very much. Dr. Stokes.

TESTIMONY OF WILLIAM M. STOKES, CHAIRMAN, MIAMI CITIZENS AGAINST CRIME, ACCOMPANIED BY VAN T. EDSALL, EXECUTIVE DIRECTOR

Mr. STOKES. Thank you, Chairman Rangel and distinguished members of the panel. It is a pleasure for me to have an opportunity to give you a citizen's view of this devastating problem. I am Bill Stokes, and I am vice president of Miami-Dade County College, but I am here today as chairman of Miami Citizens Against Crime.

I will briefly summarize our written testimony. The MCAC was formed by private citizens four and a half years ago because of the extraordinary surge in crime in South Florida.

We had asked for Federal help in dealing with drug trafficking, perceiving that to be the major intensifier beyond state and local remedies.

That help was forthcoming very quickly, from both the executive branch as well as the Congress. The effort was significant and the signal of commitment was perhaps even more important. Additional measures were taken by the community to strengthen state and local elements of the criminal justice system. The results of those collective Federal, state and local efforts were gratifying. In the three years following 1980, crime diminished 17 percent in Dade County. The Federal actions against drug traffickers and illegal weapon dealers was very important in those results.

Now, in 1986, we must examine the total program anew for crime is again increasing and drugs are still available on our streets. Part 1 crimes are higher today than in 1980, our worst year.

We discovered two factors that perhaps others already recognized: Crime is overwhelmingly driven by drug use, as existing from drug trafficking. Law enforcement officers estimate that over half of all serious crimes are committed by persons on drugs at the time of the crime. The epidemic of drug abuse spares no section of the Nation, nor any strata of society, nor any age group.

Congressman Smith asked about the schools. I want to emphasize that this pervades all segments of our society. It is not a problem peculiar in South Florida. From these new factors and others still prevalent, we conclude the following: Ridding the United States of the plague of illegal drugs must be a top national priority. The struggle to reduce the influx of illegal drugs to the United States is fraught with difficulties, and short-term victory should not be expected. That struggle must continue, for as long as it takes. It should be augmented in those elements where the investments-to-results ratio is favorable. It should not be cut or abandoned in the

name of budgetary constraints. To do so would speak loudly to lack of commitment.

In terms of supply, the United States must clean up its own house, and let me emphasize, we see all too little attention directed at domestic production. And finally, and perhaps our major point today, we must turn our national focus on the fact that there are drug traffickers, because there are drug users. We must mount a pervasive and energetic national campaign through families, schools, churches and synagogues, businesses and the media to tell our citizens that the use of illegal drugs is neither fun, cool, smart, or harmless to individuals of society.

I want to reemphasize the importance of addressing the problem in the workplace, families and religious settings. We believe that last point regarding doing something about drug demand to be of overriding significance. In that regard, you will find attached to our written testimony a copy of a comprehensive drug prevention program, which we recently recommended to this community.

Our massive drug abuse problem has reached crisis proportions. Our war on crime and on drugs especially must be as unyielding as the problem itself.

Again, our recommendations: Don't reduce our Federal effort, but also turn on a massive and national effort to reduce the demand.

Thank you for the opportunity to appear before you.

Mr. PEPPER [presiding]. Thank you very much.

[The statement of Mr. Stokes appears on p. 154.]

Mr. PEPPER [presiding]. Now, the representative of the Miami Citizens Against Crime.

TESTIMONY OF VAN T. EDSALL

Mr. EDSALL. I am just here to help Dr. Stokes, since he is awfully busy running a successful campus.

Mr. LAWRENCE SMITH. Dr. Stokes is a new man but I was here six years ago when Admiral Van Edsall was the first person involved with Miami Citizens Against Crime, and he and a group of people, including Armando Condina, and Alvah Chapman, and so many others, came to Tallahassee as citizens to lobby for an increased sales tax, if the money was to be used for the criminal justice system increases. And to this day, I will never forget, it was rather courageous in those days to do something like that, and I want to commend them both for being there at a time when it was very necessary.

Mr. PEPPER. Mr. Gilman.

Mr. GILMAN. I have an inquiry to our good representative of the State education department. $1.4 million out of a $4 billion State education budget is allocated for drug education?

Ms. WATERS. Yes.

Mr. GILMAN. Was that for overall health programs?

Ms. WATERS. The 1986 comprehensive health education budget was over $1,400,000. One concept in health education is drug awareness, drug education, so the funding is for the total comprehensive program.

Mr. GILMAN. What portion of the $1.4 million is allocated for drugs?

Ms. WATERS. Each district implements their own. They write their own plan for implementation. In reviewing the grants, probably one-tenth of their district dollars are earmarked for drug education.

Mr. GILMAN. One-tenth of the health allocation out of the $1.4 million?

Ms. WATERS. Yes, sir. There are 10 concepts identified in the Comprehensive Health Education Act itself. One of those concepts is under the concept of drug education.

Mr. GILMAN. We are talking roughly about $100,000 for drug education throughout the State?

Ms. WATERS. That is an estimate on my part.

Mr. GILMAN. All voluntary; is that correct?

Ms. WATERS. The districts must, in order to apply for the grant, apply on a grant form.

Mr. GILMAN. Are there some districts that do not apply?

Ms. WATERS. This year there was one. The funding is based upon student enrollment.

Mr. GILMAN. No mandate about the number of hours?

Ms. WATERS. No, sir. The only mandate we have in our curriculum now is the life management skills course, for grades 9 or 10. We allow our districts to implement the curriculum and the time for implementation. That is a very weak link.

Mr. EDSALL. In Dade County there is a mandated substance education program, K through 12, and in the current fiscal year, as I remember the numbers, that budget for that program is $550,000 or thereabouts, out of a $1 billion budget. The Dade County school system is about $1 billion operation.

Mr. GILMAN. Is that an extensive program? How many hours do they devote to drug education; any idea?

Mr. EDSALL. It is about an 80-hour curriculum that is spread throughout several disciplines within the school curriculum. Some is delivered in social science. Some is delivered in health education.

Mr. GILMAN. How much of that is drug related?

Mr. EDSALL. All of that 80 hours.

Mr. GILMAN. $500,000 in total?

Mr. EDSALL. Yes, sir, the substance education program.

Mr. GILMAN. What grade levels?

Mr. EDSALL. Kindergarten through 12th, sir.

Mr. GILMAN. Is that the only county that has mandated programs?

Ms. WATERS. No, sir, many other counties have mandated programs. It is decentralized so districts have the option to decide on their local plans.

Mr. GILMAN. Do you think the decentralized system is working?

Ms. WATERS. I would hope in Florida we would have a mandated curriculum.

Mr. GILMAN. What prevents that from happening now?

Ms. WATERS. I presume it is legislation.

Mr. GILMAN. Is there some pending?

Ms. WATERS. Yes. We are in session now, and I don't know the status of that.

Mr. GILMAN. Is the Governor urging adoption of that system?

Ms. WATERS. I would prefer to let the Governor speak for himself.

Mr. LAWRENCE SMITH. Would the gentleman yield? You have touched the sorest point in this statement. All the years I was involved in state government, I couldn't get anybody to do anything about a drug education program. We don't want model, mandated programs. It is fraught with peril for other reasons, other kinds of programs which people didn't want to get into. We have not even developed a model program with the expertise that the State commissioner's office would have, with the assets it has under its control which would then be available to school districts, so we would have one legitimately good, well-tested program going around the State. We don't have that either, and when all those other panels came and complained about the things we are not doing, we have to also look at home and say we are not doing all that well here either in things we could be doing.

Secretary Bennett is coming to see us next week. We are not doing a good job there either. There should be model programs at the Federal level and then could be taken by the State level.

I don't want to fault the commissioner's office, frankly, because they have some problems in this regard, but the reality is that this is an effort that needs to be addressed to a far greater degree at the state and local level. I am a PTA president. That was the first thing I was involved with, being a president of a PTA. In 1972, I can tell you, the drug program was a disgrace, an absolute disgrace. The brown box, the policeman walks in the school, opens it up, shows the kids what it is, and walks out. Almost like the 1950 V.D. training film. They all laugh and we have not caught upon any level, and not on this level either. I appreciate the gentleman exploring that route, because that is the woeful inadequacy that we have at least with our kids in the education area.

Mr. GILMAN. It is not unique to Florida. In my own State, I was appalled to find how little funding, how little mandate. We hope to soon correct that. When we talk to teachers about this kind of a program, they say don't get into it unless you provide good teacher training along with it. Is there some teacher training you provide?

Ms. WATERS. Yes, we have curriculum to in-service, in a summer workshop, which would be held at Florida State University. It is a nationally validated program——

Mr. GILMAN. Is that a nationally mandated program?

Ms. WATERS. No. We are having a good turnout.

Mr. GILMAN. Please, if you would, tell me, if you give a grant at the State level for drug education, is there any necessity to have a supplemental teacher training program as part of that grant?

Ms. WATERS. To make a program effective, you must have teacher training.

Mr. GILMAN. But are you doing that with the grants?

Ms. WATERS. We are doing it in the summer program this summer.

Mr. GILMAN. That is voluntary, not part of the grant?

Ms. WATERS. It is voluntary in attendance, yes.

Mr. GILMAN. It is not part of the grant?

Ms. WATERS. No, not part of the grant itself. The teachers and supervisors are coming up on their own time.

Mr. GILMAN. Why spend the money if the teacher is not trained to do this kind of teaching? Why spend the money?

Ms. WATERS. The key to success is looking at that school day, finding time to put the curriculum in. Whoever is going to do that curriculum must be properly trained. It must be mandated and funded, and I would hope our State would chose to do that. As I stated, the Florida Drug and Alcohol Association, along with the health organizations, have gone on record to support this kind of legislation.

Mr. GILMAN. Thank you.

Did you have something to add, Admiral?

Mr. EDSALL. I wanted to add a little bit of data to another question, James, prisons and the lack thereof, Mr. Gilman.

Mr. GILMAN. It is critical we spend so much money on enforcement and when it comes to penalizing any of the traffickers we don't put them in jail because we don't have jail space.

Mr. EDSALL. Absolutely. I don't think the Federal Government is the solution to all of our problems. As I understand, basically, the Federal system, throughout the United States is at or near capacity, and the State of Florida, which has approximately 29,000 people in the State prison, they are at capacity.

Mr. GILMAN. Again, it is not unique to Florida?

Mr. EDSALL. No, sir. Dade County, which is our own responsibility, is at capacity and suffering all of the maladies that were described earlier. We are doing something about our problem.

Three years ago, in 1982, at our urging, this county passed a $200 million bond issue, specifically for the purpose of building criminal justice system facilities, half of that $200 million to go to jails. Since 1982 we have constructed 640 additional beds on top of what then was 3,500 or so. We have 1,000 additional under construction, and we have another 1,000 that will start in a year or so, so we are doing something about our jail problem. We don't need Federal or State help.

Mr. GILMAN. State bond issue?

Mr. EDSALL. No, local, county. Voters passed it by a 3-to-2 margin, so that we dealt with it.

Mr. GILMAN. That is encouraging to hear.

Mr. EDSALL. In today's discussions, there have been a number of references to the contribution of drugs to crime, and let me say a little more explicitly what Dr. Stokes said. Crime is influenced by drug trafficking, dealers kill each other, or fight over the turf, whatever. The major contribution to crime is by drug users, not drug traffickers.

Mr. GILMAN. Admiral, I think our panelists are fully aware of that. Mayor Koch said half of his jail population in New York City was drug related.

Mr. EDSALL. Yes, sir. Here, locally, we have had some confusion in our own mind because people say drug-related, and they think we are talking about traffickers.

Mr. GILMAN. Thank you, Admiral.

Mr. RANGEL. Let me thank the panel for your testimony, and we will be working with you. Our last panel is——

Mr. PEPPER. Wait, just a minute. May I just say a word or two, to these two school people particularly. What percentage of the drug users, people who are the buyers of these critical drugs, would you say are in the public school system? And then I will ask you about the junior and senior colleges. I want to know how many of the purchasers of these drugs are in the school system of our State.

Ms. WATERS. I don't have that information at my hand, sir.

Mr. PEPPER. Well, do you think there is some?

Ms. WATERS. Yes, sir, by the mere fact that we have documentation that drugs are being used by our students, there is some, but as to how much I don't have that. I am not prepared to give that.

Mr. PEPPER. Would it be improper to have a drug test, or authorize the schools to have drug user tests in the schools?

Ms. WATERS. Some districts are considering doing that, but I think that is, again, decentralized methods of trying to control the use of drugs within the system.

Mr. PEPPER. How would you summarize your recommendation to this committee as the best way to reduce the number of purchasers of these drugs?

Ms. WATERS. From where I sit, sir, to my best knowledge, it is to reduce the demand, and that is through education. Given the proper education where kids are given the chance to be able to make their own decisions intelligently, make their own decisions about the consequences if they get involved, to me that is the solution.

Mr. PEPPER. Well, you two didn't seem to think there was too many in the school system using the drugs, then you would have to set up a system of education outside the schools; is that right?

Mr. STOKES. If I might make a comment or two, the use is heavier than we would like to recognize. When you talk about regular and sporadic use, it may be a little bit different. What should you do? What makes anything effective in this country? That is when people, and people in leadership roles—and I commend you for being her today and take a firm stand. We have got to look at the family, religious setting, and we need to look in the workplace.

We need to start at the top of the corporate boards and go right down through the entire workforce, it seems to me, and the least the people can do is perhaps some kind of screening going into the workplace, an employee assistance program, some type of training for supervisors to help their employees. But that is something that needs to be left up to the individual employers. But we have to start someplace, and we need to start at the top. It is going to have to be a comprehensive program. When you ask me what percentages, the percentages that I am given in the workplace is that 10 percent of the people in the workplace use drugs, illegal substances, on a regular basis.

In Dade County we have 760,000 people employed. That means that we probably have 76,000 people in the workplace using drugs on a regular basis.

Mr. GILMAN. If the gentleman will yield, we just did a hearing up in Washington on drugs in the workplace, and percentages were much higher than the 10 percent in some very sensitive areas, incidentally.

Mr. PEPPER. Just last—what you suggest is that more and more the government is beginning to consider drug tests for employees. It may be that employers may begin to require drug tests for their employees. The schools may require it.

If we would have a more universal requirement for drug tests and find out people who use them, at least those who are addicts, and then set up educational systems to deal with those people, if necessary arrest them and get them off the streets, keep them from buying these drugs, I can see that either through the schools or outside the schools we are going to have to maybe set up educational programs for people outside the schools, as well as in the schools.

Thank you, Mr. Chairman.

Mr. RANGEL. Mr. Smith.

Mr. LAWRENCE SMITH. I want to ask Dr. Stokes, you have been at a community college for quite a while?

Mr. STOKES. Twenty years.

Mr. LAWRENCE SMITH. Do you notice any difference in the students over the last few years? Do you find that the kids coming out of the high schools are—and I don't want to get into the educational area—but in the area of drugs, do you find that in the last few years your school has had to deal more with the problems associated with the use of drugs?

Mr. STOKES. I think it is more sophisticated now. My observation was that we had serious problems, and it was very visible, and there were lots of academic problems, and everything thrown in. I saw lots of that in the Seventies.

In the academic area, I have seen a turnaround, more responsibility. And so perhaps in the use of drugs it has become more sophisticated because it has become more sophisticated among members of society.

I think we could do things in this area without money. I think it is a responsibility of each of us. I have been proud of the changes I have seen in my city on the part of responsibility of students, but I don't know that the drug use has gone down any at all. It has become more sophisticated.

Mr. LAWRENCE SMITH. What would you say is the choice of drug, if you have any idea at all?

Mr. STOKES. Cocaine.

Mr. LAWRENCE SMITH. More than marijuana?

Mr. STOKES. Oh, yes. At least that is the feedback that I get of the dangerous drugs.

The Admiral may have some other kind of feedback. I am pretty open and a lot of students talk with me a great deal.

Mr. LAWRENCE SMITH. What is the policy of the community college with reference to drug use? If a student is caught with drugs in his possession or selling, dealing drugs, or using, what punishment can the student expect from your school?

Mr. STOKES. See, our police officers on our campuses do not have arrest powers, and so therefore we have Metro police come, and they handle them through that system.

Mr. LAWRENCE SMITH. You have detention power, obviously, if they are caught using it?

Mr. STOKES. Yes.

Mr. LAWRENCE SMITH. Like a store has with security guards, if somebody is caught stealing, they can detain until police arrive.

My question is, what is the policy of the school with regard to that student if it is found that they have been using them or transporting them or selling them?

Mr. STOKES. If they are guilty, we have been dismissing them.

Mr. LAWRENCE SMITH. Thank you.

Thank you, Mr. Chairman.

Mr. RANGEL. Let me thank the panel for its contributions to the hearing.

The Federal Panel: Mr. Kellner, the U.S. Attorney for the Southern District of Florida; the Drug Enforcement Administration, Miami Division, Peter Gruden; Federal Bureau of Investigation, Miami Division, Joseph Corless; the Coordinator of the Vice President's Task Force, and Southeast NNBIS Region, Admiral Richard Cueroni, the Commander of the 7th Coast Guard District; Edward Kwas, Southeast Regional Commissioner, U.S. Customs Service; Darrell Smith, Chief, Criminal Investigation Division, IRS; Edward Conroy, Miami Division, Bureau of Alcohol, Tobacco, and Firearms.

We apologize for the witness table not being larger and more comfortable, but we have to work with what we have.

Mr. DARRELL SMITH. That is why the commission built a new chamber down the street and gave us the old one, Mr. Chairman.

Mr. RANGEL. We hope that you will be able to summarize and highlight your testimony so that our panel will be able to inquire. And in order to facilitate that, at this point without objection your entire statement will appear in the record, and we will start with the U.S. Attorney for the Southern District of Florida, Mr. Kellner.

TESTIMONY OF LEON B. KELLNER, UNITED STATES ATTORNEY, SOUTHERN DISTRICT OF FLORIDA

Mr. KELLNER. Thank you, Mr. Chairman and members of the Select Committee.

Illicit drug use is, in my view, the most serious social as well as law enforcement problem facing the United States today. There is a veritable cornucopia of drugs available for abuse, and every day more people are experimenting with illegal drugs.

There is a large American appetite for drugs. The U.S. is the largest market for drugs in the world. It is a massive demand begging for supply.

The intensified Federal law enforcement response to this problem has involved a number of different techniques: increased efforts to identify, penetrate and prosecute major international and domestic narcotics organizations; a new and expanded interdiction effort; an increased and unparalleled effort to target and penetrate the major money-laundering enterprises which enable foreign narcotics cartels to launder and remove billions of dollars from this country; increased investigation and prosecution of foreign officials from source countries involved in the international chain of drug smuggling; increased investigation and prosecution of official and political corruption, especially where tied to narcotics traffic; and increased emphasis on the forfeiture of narcotics dealers' assets, including cars, planes, boats, real property and cash proceeds.

We also recognized that no single agency—be it State, local or Federal—could successfully deal with the enormous and unprecedented law enforcement task spawned by drug trafficking. For this reason, in 1984 the Administration created the 13 regional Organized Crime Drug Enforcement Task Forces, OCDETF, which drew upon the experiences of the Vice President's South Florida Task Force. These regional task forces bring together the various Federal agencies who deal with the narcotics problem. Each of these agencies have a particular expertise that can be brought to bear on the narcotics trafficking problem.

Law enforcement in South Florida has successfully utilized all available tools to wage war on drug trafficking. Our prosecutorial approach has been a multi-dimensional one.

The increased money and resources dedicated to the drug war has had a direct and immediate impact on the size of the caseload in my office, particularly with respect to narcotics-related charges. The U.S. District Court for the Southern District of Florida has more criminal litigation than any other district in the U.S. For the fiscal year ending September 30, 1985, the U.S. Attorney's Office indicted more felony cases involving more defendants than any other district in the U.S. We have pending today more felony defendants pending trial than New York and Chicago combined.

For the year ending June 30, 1985, my office prosecuted 276 felony, criminal felony jury trials, which is 112 more than the second busiest district in the U.S.

Additionally, we have pending forfeiture cases involving approximately $50 million in cash and other assets. However, in spite of our efforts and the efforts of dedicated State and local law enforcement officers, the narcotics problem facing this country is not going away. Drug abuse is a national epidemic, and despite the record number of seizures, arrests and prosecutions, availability of drugs remains high.

Our efforts to deal with the tidal wave of drugs flooding our shores is simply not enough. In order to deal with what I believe to be the most serious law enforcement health issue facing this country, we must come to grips with the demand side. For without the extraordinary demand for drugs in this country, we would not have to deal with the supply side.

You have asked us to keep our summary short, and I will do so. However, before I conclude my remarks, I would like to address the final question that you have asked me: my perceptions of how the Gramm-Rudman Deficit Reduction Act will impact on our ability to effectively carry out our mission.

In fiscal year 1986, Gramm-Rudman mandated a reduction of 4.3 percent in the U.S. Attorney budget authority. Approximately 70 percent of our budget represents lawyer and support staff compensation. The remainder is made up of necessary items such as overtime, travel, training, rent, utilities, and litigative expenses.

There is very little in non-salary items that can be reduced before the Act impacts on our ability to hire assistance.

The Department of Justice has taken steps to reduce training, travel and other non-salary items in order to avoid instituting employee furloughs. Additionally, employment controls have been instituted because of the 4.3 percent reduction in workforce availabil-

ity. All of these steps have an impact on our ability to handle narcotics cases and investigations.

Defendants in narcotics cases hire the most able lawyers—a reduction in training will ultimately lead to the government not having the best trained lawyers representing the people of the United States. I believe that my office hires some of the best and brightest young attorneys in the country. However, they need training to be able to effectively counter the expertise of experienced and well-versed defense counsel.

Reductions in our travel budget will limit our ability to interview witnesses during investigations and thus diminish the quality of our trial preparation.

The deferred hiring mandated by Gramm-Rudman will mean that investigations will be put on hold and prosecutions will have to be delayed commensurate with our manpower.

However, it is my understanding that this year's impact may be negligible compared to further reductions that could be imposed in 1987 and subsequent years. If faced with further reductions, we would then have no choice but to permanently reduce the number of cases and investigations we handle.

As a prosecutor and a resident of South Florida, deeply committed to the anti-narcotics battle, it is very distressing indeed that our efforts may have to be diminished. Especially after seeing these past years of extraordinary hard work by dedicated prosecutors and investigators having a positive impact on the quality of life in the South Florida. It is frustrating, to say the least, that we may now have to retrench.

The traffickers are not going away, nor are they being impacted by Gramm-Rudman, and neither can we. These criminals are poisoning our children, reducing our productivity in the workplace, and destroying the moral fiber of our society. We cannot permit these death merchants to have unrestricted access to our country. In the past four years, this effort has been a priority with both the Executive and Legislative Branches of Government. That priority must remain constant.

I understand that the Department of Justice has submitted a proposed 1987 budget requesting a slight increase over 1986. I ask you to favorably consider the Department of Justice's budget to prevent the disastrous impact that Gramm-Rudman will mandate.

I thank you for your invitation for me to participate in this hearing.

[The statement of Mr. Kellner appears on p. 170.]

Mr. RANGEL. Thank you. Before I call the next witness, I take pause at your remark that the work of the U.S. Attorney's Office has had a positive impact on the quality of life in Florida, and being a former Assistant U.S. Attorney, I would like to believe that too. But we know that you are the front line troops, and we know that you are doing the best with what you have to work with, but don't you think that is a bit much to say that your work has improved the quality of life of people in Florida?

Mr. KELLNER. I think there is a perceptible difference between what was going on in South Florida in 1981 with the cocaine cowboys, with murders in shopping centers, with the wholesale disregard of the Bank Secrecy Act. I think that I can point to a combi-

nation where there is less of the cocaine cowboy killing in the streets. In addition, I think that between banks and the cooperation of the citizens of this community, there has been a recognition that drugs are impacting society and that all of us in the community, be it prosecutors, investigators or private citizens, have an obligation to do something about it.

Mr. RANGEL. I am not arguing about the obligation. I was under the impression, and I hope I leave here that it was a false impression, that since 1981 we have had an increase in murders, an increase in general crime, an increase in cocaine availability, an increase in trafficking and certainly an increase in the effectiveness of your office. But I thought all of those things occurred, and so I just did not see that notwithstanding what all of us are doing we could say that since 1981 there has been an improvement in drug trafficking—in all of the things I mentioned.

Mr. KELLNER. I think that there certainly is much more to be done.

Mr. RANGEL. I know that. I am talking about specifically has there been increases in crime, increases in drug related crime, increases in trafficking, increases in the amount of drugs that are coming in to us?

Mr. KELLNER. We have larger seizures, yes.

Mr. RANGEL. No, don't do that to me. I am not talking about the seizures. I know we have larger seizures. I am talking about larger tonnage, to be dramatic about it, of cocaine on the streets of Florida as well as throughout the United States?

Mr. KELLNER. Incidentally, that is accurate, but I believe also—

Mr. RANGEL. We have more murders since 1981, more violent crimes.

Mr. KELLNER. That statistic I am not familiar with.

Mr. RANGEL. Okay. I am not taking issue with the effectiveness of your department, and certainly that we will be able to get more resources, except that people take your testimony in Washington, and they put it in a book, and the book tells us that there is light at the end of the tunnel, that we have a handle on it and that everything has improved.

So we come to Florida to see whether or not things have improved, because if what you are doing is really improving the quality of life of the people in Florida, then we want to be able to do that in the Southern District of New York, because the quality of life has diminished as a result of the amount of drugs and the trafficking that is taking place.

TESTIMONY OF PETER E. GRUDEN, SPECIAL AGENT IN CHARGE, MIAMI FIELD DIVISION, DRUG ENFORCEMENT ADMINISTRATION

Mr. RANGEL. The Drug Enforcement Administration, Special Agent-in-Charge, Peter Gruden.

Mr. GRUDEN. Thank you.

Mr. Chairman, members of the Select Committee, I am pleased to appear before you today to discuss DEA's efforts, along with other Federal, state and local authorities, to combat the drug trafficking problem in South Florida. I think it is particularly appropriate that this committee has elected to conduct field hearings in

South Florida, historically the point of entry for up to about 75 percent of all the cocaine and marijuana entering the United States.

Although we are beginning to see more activity across our South border, Florida still remains by far the major point of entry. For a number of years, Florida has been overwhelmed by the trafficking in drugs from South America and, in particular, Colombia. We have seen this result in the growing intensity of other criminal activities, ranging from petty theft to drug-related homicides to sophisticated money laundering operations which allow profits to be reinvested in trafficking activities.

DEA has implemented a three-pronged enforcement approach. First our efforts are directed against major trafficking organizations. Approximately 39 percent of our arrests in the Miami Field Division are in the class 1 and class 2 category, which is an indication of significant commitment to working at the highest levels of the traffic.

Secondly, we emphasize the seizure or removal of as much of the illegal drugs as possible. Interdiction efforts, such as the South Florida Task Force, play a key role in removing huge amounts of drugs from the traffic. DEA's role in operation BAT, working alongside the Coast Guard, Customs and the U.S. Air Force and Bahamian law enforcement authorities, is an excellent example of the type of cooperation that exists between law enforcement agencies in this area. The Bahamian effort alone has resulted in seizure of 12,000 pounds of cocaine and 91,000 pounds of marijuana. In addition, a considerable amount of intelligence has been developed, which assists us in ongoing operations.

Third, and perhaps increasingly important, are the efforts we direct toward seizing large amounts of money and assets that are a direct result of the drug trafficking situation in Florida. In the Miami Field Division last year we seized in excess of $47 billion in assets. I believe that some progress has resulted from our enforcement efforts the past couple of years.

However, in spite of these efforts, there continues to be an abundance of cocaine being introduced into the U.S. market, with the price ranging in the area of $30,000 to $40,000 per kilogram. We saw one or two cases where it dropped as low as $17,000 to $18,000 a kilogram in South Florida, but that was unusual. In spite of record seizures, the cocaine continues to come in. Today trafficking in cocaine represents the most lucrative, persistent and challenging problem facing drug enforcement agencies.

During the same period of time, we have seen a reduction in availability of marijuana and the virtual disappearance of methaqualone. The key to future success will be to increase the level of cooperation and degree of coordination among the law enforcement agencies with increased resources.

We have already taken steps, and I believe we will continue to lock horns and move forward. We are very busy in Florida and appreciate this opportunity for the committee to come and focus attention on this problem. We further recognize and appreciate the efforts that you have made supplying us with the necessary resources to combat this problem.

Thank you for the opportunity to appear before you here today. I will try to answer any questions you may have.

Mr. RANGEL. Thank you very much.

[The statement of Peter Gruden appears on p. 189.]

TESTIMONY OF JOSEPH V. CORLESS, SPECIAL AGENT IN CHARGE, MIAMI DIVISION, FEDERAL BUREAU OF INVESTIGATION

Mr. RANGEL. We will hear from the FBI, Joseph Corless.

Mr. CORLESS. Thank you, Mr. Chairman, and members of the Select Committee.

I have considerably briefed my statement. In the last four years, our commitment of manpower and equipment has expanded dramatically. Our objectives have been to develop prosecutable cases against major criminal organizations, including Colombian drug cartels, members of the La Cosa Nostra and other significant Latin American drug cartels operating within this division.

Another objective is to fully identify and trace illegal proceeds generated by major narcotics organizations with the ultimate goal of seizing and obtaining court-ordered forfeitures. We are acquiring an intelligence base through informants, cooperating witnesses, and sharing intelligence with other agencies.

In December, 1984, the Miami Division of the FBI instituted a narcotics trafficking target identification program to systematically collect intelligence concerning known and suspected members and associates of Colombia and other South American narcotics trafficking organizations. This effort is clearly identifying international clans and their base and method of operation, supply and distribution routes, financial holdings and other significant investigative information. This program is being developed in conjunction with DEA in order to insure the most efficient use of resources and the most effective use of the information gathered.

The Miami Division's close working relationship with other Federal, state and local authorities was enhanced in October, 1984 with the creation of the 13th organized crime drug enforcement task force with Miami as core city. There were 22 FBI agents added to the manpower of the Miami Division to aid the task force.

A recent example of this multi-agency cooperation occurred on February 24, 1986, when agents, utilizing shared intelligence information, spotted trash bags being unloaded from a 45-foot yacht docked behind an expensive home on Miami Beach, Florida. Agents of the FBI, DEA, Miami Police Department, Miami Beach Police Department, U.S. Customs and Alcohol, Tobacco and Firearms, stopped two vehicles trying to flee the residence, and arrested three individuals and seized 190 kilos of cocaine.

In the last two fiscal years, Mr. Chairman, the Miami Division has produced 234 narcotics/organized crime-related indictments and approximately 150 convictions. Of course, these statistics do not reveal the extensive number of convictions obtained in other parts of the country which were based on investigations done by the Miami Division. The Miami office expends considerable manpower and resources in aiding the investigative efforts of other FBI offices.

We could easily put all of our manpower into narcotics investigations, but, of course, we would not then be fulfilling our responsibil-

ities in over 200 other Federal violations. Our investigations in other areas of responsibility often produce information concerning narcotics trafficking. An example, Mr. Chairman, of a case which began in an area other than narcotics was an FBI undercover operation in Miami of a planned assassination in a foreign country. This culminated in November, 1984, with the arrest of eight individuals, three of whom were charged with plotting to assassinate the President of Honduras. This plot was to be financed from the sale of 345 kilos of cocaine which had been shipped to Florida and was seized by agents at the time of the arrests.

The Miami Division has noted an increased upswing in sophistication on the part of drug smugglers, in that they are currently using suitcase telephones, portable computers, beepers, recording devices and the best equipment that money can buy to aid their narcotics businesses. This equipment also includes high-powered weapons, including semiautomatic and automatic weapons which they have not hesitated to use against law enforcement officers in South Florida.

Mr. Chairman, despite all of our efforts and successes in the narcotics area, this cannot stem the flood caused by the heavy demand for cocaine and marijuana by legions of users. Interdiction, investigation and prosecution of the suppliers can only remedy a small part of the problem. Education and community involvement is absolutely essential to bring attention to this horrendous problem.

For example, recently in Miami, grassroots community people declared March 12, 1986, Red Ribbon Day. Red ribbons were hung from buildings, autos and jacket lapels in an effort to bring attention to the fact that the whole community has to be involved in order to bring peer pressure to stop the users. With widespread publicity about the advent of voluntary and involuntary drug testing by employers and the health hazards of drug use, the awareness needed to stop the demand has begun. It is the demand for narcotics, not the supply, that fuels the narcotics traffickers. I continue to firmly believe that aggressive, well-funded educational programs are the needed ingredient to blend with law enforcement to begin to curb the demand for narcotics.

[The statement of Joseph V. Corless appears on p. 207.]

Mr. RANGEL. Are you talking about Federally funded educational programs?

Mr. CORLESS. Whether Federal or state, it is a program that has to be given a lot of attention.

Mr. RANGEL. Do you come together with your colleagues in government and recommend these things at all in Washington? Do you talk about having a Federal effort in education to assist you in law enforcement?

Mr. CORLESS. Yes. We go to conferences and discuss what is going to have an impact on the program, and I think education is one of the main areas.

Mr. RANGEL. Do you know whether any formal recommendations have come from the FBI, the DEA or the Justice Department to go to Secretary Bennett?

Mr. CORLESS. At my level, I can't say.

Mr. RANGEL. Do you get circulars as to what people are doing in your agency and department—because this is exciting for me to

hear, but I just never heard anybody on a formal level saying, "Listen, I am doing my job, but somebody is not doing theirs", and I wish we could do more in this area.

Mr. CORLESS. On a local level, we discuss the problems and that is as far as our ability as a local agency.

Mr. RANGEL. I am not talking about local. Local people say they are lectured to enough by the Congress and Federal people about what they should be doing, when they ask me what is your government doing, and now everybody that I used to laud because they were interdicting are telling me that we should educate more. I don't know which side of that I come down on.

But it is very interesting because everyone is pointing their finger and nobody has pointed their finger at the Secretary of Education. I don't want to get political about this.

TESTIMONY OF REAR ADMIRAL RICHARD P. CUERONI, COMMANDER, SEVENTH COAST GUARD DISTRICT, AND COORDINATOR OF THE VICE PRESIDENTS TASK FORCE, SOUTHEAST NNBIS REGION

Mr. RANGEL. Let's go to the Admiral. He is the Commander. I suppose when the military starts telling us that we ought to start educating the Communists about a better way of life, it is time for me to get frightened.

Admiral CUERONI. As far as education within the services, we have an effective program of drug education in the military services.

Mr. RANGEL. Let me interrupt to agree with you that we were scared some 10 years ago as to what we saw happening in the military, and we monitor that very carefully, and certainly you have really had an exciting educational program which coupled itself with pride and the fact that peer pressure was there and people felt good that they were drug free as opposed to feeling that they were about to be arrested if they violated the law.

Mr. LAWRENCE SMITH. That is fear pressure, not peer pressure.

Mr. RANGEL. I don't know if it was just fear, there was a price when they said not in my Navy or Wing or Service. You always need a deterrent to put someone in jail, but I am saying there was a good feeling about having people drug free. We don't have that in schools where people feel good about not being on drugs.

Admiral CUERONI. We are very gratified early in the program that with the compulsory urinalysis program we had young people coming into the service and actually saying, "That person living next to me is using drugs, and I don't want him." That is the peer pressure.

I am very pleased to appear before you this morning, and I think that the real value in this is public awareness, as you know, and that is ultimately how we are going to win the war on drugs is public awareness and getting all of us in the U.S. involved in all facets of it.

But I would be lecturing to you if I continued in that line. Let me summarize my statement that the Coast Guard is on the line, it is doing its job with interdiction, the best job that it knows how to do, it is cooperating with all the agencies involved, and thank God

for the DOD and the U.S. Navy, Air Force, Marines, Army, they are assisting us in that interdiction effort.

I will say to you that the National Narcotics Board of Interdiction Southeast Region is coming of an age. Cooperative efforts, certainly NNBIS had a part in that. Not to say there wasn't cooperation before, but through special operations in the last two or three years, we have brought that cooperative effort closer together and most significantly involving not only the Fed, but the state and local people.

That is optimistic. We are working together. The special operations have been quite effective. The one that was just terminated the end of February, Hat Trick II, which was countrywide, but I just thought, I have some statistics. Let me just give you some of those statistics, and I think they are quite impressive, as Congressman Smith alluded to earlier.

There were 71 vessels seized during Hat Trick II. This is a period 1 November through 28 February. Thirty-five aircraft were seized, 379 vehicles, and we contributed to the jail overcrowding by 1,310 arrests. There were interdicted marijuana, 750,000 pounds interdicted by the U.S. agencies and an additional 350,000 pounds destroyed in Colombia for a very impressive total of over one million pounds; cocaine seized, 21,000 pounds; hashish, over 2,000 pounds, and so on. Very impressive numbers for a very highly coordinated operation that involved all of the agencies, the people that you see at this table plus the state and local.

I would only say in closing my statement, Mr. Chairman, that I don't see any light at the end of the tunnel, not yet. What I do see is we have taken some very positive steps in the right direction, and my appeal to you would be don't quit now. I stand ready to answer any questions.

[The statement of Rear Admiral Richard P. Cueroni appears on p. 214.]

TESTIMONY OF EDWARD F. KWAS, SOUTHEAST REGIONAL COMMISSIONER OF CUSTOMS, U.S. CUSTOMS SERVICE

Mr. RANGEL. Edward Kwas, Commissioner of Customs.

Mr. KWAS. Thank you for the opportunity to discuss U.S. Customs narcotic interdiction efforts in South Florida.

Customs fiscal year totals for the seizure of cocaine in South Florida have more than quadrupled since 1983. During the past fiscal year, we seized 37,316 pounds of cocaine just within the Miami District. This represents 73 percent of the total amount of cocaine seized by Customs nationwide during the same period.

Most of the cocaine we interdict arrives here by way of air and sea cargo, private vessel and private aircraft. Let me briefly outline for you our interdiction methods and systems.

To check for drugs smuggled through cargo shipments, we employ contraband enforcement teams made up of specially trained inspectors who apply profiles and intelligence information to identify high-risk cargo shipments for intensive examination. During the past fiscal year, contraband enforcement teams within the Miami District seized 10,566 pounds of cocaine at airports and

seaports. This is more than 20 percent of the total seized by Customs nationwide.

In addition to smuggling drugs in air and sea cargo, smugglers have been found to use the plane and ship itself as a smuggling vehicle. To deter this type of smuggling, which usually involves carrier employees, Customs has established a carrier initiative program, whereby carriers enter into agreements with Customs to strengthen their internal security against drug smuggling and cooperate in identifying smuggling attempts. Nine air carriers in Miami have signed such agreements, as have nine ocean carriers within the Southeast Region.

In July 1985, Customs organized a multi-agency team, called the "Blue Lightning Strike Force", that combined the Marine interdiction efforts of virtually every state, county and local law enforcement agency in south Florida with those of Customs and the Coast Guard. The strike force was patterned after a previously conducted, NNBIS-coordinated joint agency operation called "Blue Lightning", that resulted in the seizure of 6,000 pounds of cocaine and, for its 17-day duration, virtually shut down drug smuggling by boat from the Bahamas.

Blue Lightning Strike Force participants work together during special operations, share intelligence information and conduct joint patrols. Their team work resulted in the seizure of nearly 10,000 pounds of cocaine and 268 arrests during the first six months of the strike force's existence.

In February, Customs activated the Blue Lightning Operations Center (BLOC) in Miami to serve as the coordinating nerve center of the Blue Lightning Strike Force. This ultra-sophisticated facility is capable of monitoring radar coverage of marine activity and directing strike force patrol boats in pursuit of suspected targets. Only 10 days after it was activated, the operations center used its radar and communications capabilities to coordinate a night-time sea chase off the West Coast of Florida that resulted in three arrests and the seizure of 17 tons of marijuana and two boats.

Also in February of this year, a Blue Lightning Strike Force Steering Committee was formed, which includes Federal, State, county and local agency representation. Its purpose is to help increase the effectiveness of the strike force with recommendations based on input from heads of participating agencies. Broward County Sheriff, Nick Navarro, was elected chairman of the committee.

Customs participates with IRS, DEA and the U.S. Attorney's Office in a multi-agency project called "Operation Greenback", which was initiated in 1980 to investigate the laundering of drug money and is now part of the Organized Crime Drug Enforcement Task Force (OCDETF). So far this fiscal year, greenback agents have seized more than $19 million and have arrested 41 suspects.

Last July, Customs in Miami activated a statewide, toll-free hotline (1-800-BE ALERT) that offers rewards and anonymity to callers with information on drug smuggling activity. Since activated, the hotline, which recently was expanded to include Georgia and the Carolinas, has received 883 calls, of which 834 have come from Florida, 20 from North Carolina, 19 from South Carolina and 10

from Georgia. Information from 238 of the calls has been referred to other law enforcement agencies.

To date, the hotline has been responsible for the arrest of 27 drug smuggling suspects, and the seizure of 18 pounds of cocaine, 1,970 pounds of marijuana, 22 weapons, $46,500 in U.S. currency, four vessels and an aircraft.

Hotline tips have so far resulted in the payment of $4,050 in rewards. Surprisingly, more than half of those who call are not interested in a reward. They are only concerned with helping stop drug smugglers.

Mr. Chairman, again my thanks for the opportunity to appear before this committee with information on U.S. Customs drug interdiction efforts in South Florida.

This concludes my statement. I will be happy to respond to any questions you or other members of the committee may have.

Mr. RANGEL. Thank you, Mr. Kwas.

[The statement of Edward F. Kwas appears on p. 223.]

TESTIMONY OF DARRELL G. SMITH, CHIEF, CRIMINAL INVESTIGATION DIVISION, INTERNAL REVENUE SERVICE

Mr. RANGEL. From the IRS, Darrell Smith.

Mr. DARRELL SMITH. Thank you, Mr. Chairman.

I am Chief of the Criminal Division of Internal Revenue for the Jacksonville District, which includes the entire State of Florida. The formal statement, which I have submitted, covers in quite some detail the narcotics enforcement efforts and results achieved by IRS, both nationwide as well as in Florida. Instead of going through a lot of the statistics on the results there, I would like to share with you what is a major concern in the Internal Revenue Service regarding staffing and budget.

Not long ago Commissioner Egger testified before the Committee on Appropriations stating the Internal Revenue Service has a unique and vital role in deficit reduction. In fiscal year 1987, IRS will collect $800 billion in tax revenues, over 90 percent of all Federal revenues. For every dollar cut from IRS, other government programs will need to be cut $10 to meet deficit reduction targets.

As mentioned in my formal statement, the Criminal Division nationwide expends approximately 25 percent of all of its special agent resources in the area of narcotics-related investigations. That is 25 percent nationwide. In south Florida, we are expending in excess of 60 percent of our special resources on narcotics investigations. IRS has maintained a very high level of involvement in investigations, even though we were originally committed to allocate only about 19 percent of the total investigative agency resources into the OCDETF program.

However, since inception of OCDETF, IRS has participated in 68 percent of their investigations. This is second only to that of DEA, the nation's primary narcotics enforcement agency. In addition to the OCDETF narcotics investigations, IRS also has other priority investigations of individuals involved in criminal activities within the special enforcement program. Examples are our high-level drug leaders program and the organized crime strike force program. Our commitment of resources in fiscal year 1985 to all such special en-

forcement programs nationwide represented 47 percent of our total direct resources expended in all areas.

In Florida, during that same period, we expended 55 percent of our time on special enforcement cases. The remainder of our resources was expended on general program areas nationwide, 45 percent in Florida. This area includes such major noncompliance areas as investigations of promoters of abusive tax shelters and investigations of individuals involved in the illegal tax protester movement. Due to the necessity of maintaining our commitments in all our program areas, we are in the position of not being able to expend any more time on narcotics investigations without unfavorably impacting on other important programs. Any further shifting of resources could adversely affect our overall compliance mission.

Consequently, further reductions in the IRS budget will cut all enforcement programs, and we will have to reduce the number of all types of cases being investigated, including narcotics and organized crime violations. Also there will be an increase in the length of time it takes to complete our investigations. The above effects would take place due to a required reduction in the number of special agent restrictions, reductions in travel and other enforcement expenses. By far the most negative impact on effective law enforcement in these areas would be with regard to the number of special agent positions.

For example, in fiscal year 1986 the budget was cut by 4.3 percent as a result of the Gramm-Rudman-Hollings bill. In Florida alone, we are operating under a total freeze in regard to special agent, clerical and paraprofessional positions in the Criminal Investigation Division. Today in Florida we have 14 fewer special agents authorized than we had at the end of fiscal year 1984, whereas in our case inventory in Florida today, I have more than 90 open investigations than we had at the end of fiscal year 1984. Many, many additional criminal prosecution cases could be brought into inventory in both the special enforcement program area, as well as the general program area.

However, we just do not have the resources, the special agent resources, to actively investigate these cases. Basically these cases sit unassigned due to a lack of resources. Nationwide, in addition to the above 4.3 percent cut, the Criminal Investigation Division had already been cut 65 special agent staff years at the beginning of fiscal year 1986. In order to meet the above cuts a nationwide hiring freeze, along with other cost sharing measures, had been implemented.

As of today, we have no idea what budget picture we will face in fiscal year 1987 and beyond. The fiscal year 1986 budget cuts are significant to some degree regarding our enforcement efforts, and taken in context with anticipated future cuts, our ability to maintain our commitment in narcotics enforcement will of necessity have to suffer along with all our other programs.

We have all heard estimates that narcotics trafficking in this country earns 60 to 90 billion untaxed dollars a year. Without an adequate budget which will enable us to expend the necessary resources, IRS will have little impact in this area. The effect of even small cuts will be severely felt. I suggest to the committee, and seek that you do so, that the committee provide the IRS with the

support it so desperately needs to continue its efforts in combating narcotics trafficking in this country.

As I discussed earlier, the IRS is providing 25 percent of its special agent resources to narcotics-related investigations. That is nationwide. This is a five-fold increase over the past five years without any corresponding increase in special agent positions. Your assurance that IRS is provided with the budgetary support is greatly needed.

Finally, I recommend your support of H.R. 4573 as submitted by Congressman Pickle and Schulze and Senate Bill 2306 of Senator D'Amato. These bills provide needed changes to the Bank Secrecy Act.

Thank you very much for this opportunity. I will be happy to answer any questions.

[The statement of Darrell G. Smith appears on p. 235.]

TESTIMONY OF EDWARD D. CONROY, SPECIAL AGENT IN CHARGE, MIAMI DISTRICT OFFICE, BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF THE TREASURY

Mr. RANGEL. Edward Conroy, from ATF, the Miami Division.

Mr. CONROY. Chairman Rangel, members of the committee, I have to apologize to the gentleman on the left side of the dais up there that I am behind this pillar here. I welcome this opportunity to appear before you to discuss ATF's role in investigating and prosecuting major drug and firearm traffickers in Florida.

Serious drug-related crime problems began surfacing in Miami almost 15 years ago. These problems have been compounded by the easy accessibility of hundreds of miles of open coastline and the ability to ship to all sections of the country—qualifications which make this part of Florida a receptive base for drug and firearms traffickers.

Much of the firearms trafficking here is tied to the prosperous drug trade that appears at times to deal in illegal weapons as often as it deals in drugs.

ATF's primary law enforcement missions are to enforce the Federal firearms and explosives laws. Every law enforcement official, certainly in this part of the country, is aware of the increasingly ominous link between firearms, explosives and drugs. Drug and illegal firearms traffickers feed off each other—trading firearms for drugs and drugs for firearms. Drug traffickers depend on firearms—the machine gun is their current "weapon of choice"—to expand their illegal activities and to protect their enormous profits. They also use firearms against each other, either to protect their drug territory or in their continuing attempts to take over rival territories and as offensive weapons against law enforcement.

Drug traffickers cannot operate without firearms—the use of firearms are essential to their sinister business.

By focusing the firearms and explosives laws to target major criminals in both the drug and illegal firearms underworlds, ATF can help to further weaken the vital connecting link that ties these criminals together.

Earlier this month, ATF agents, assisted by the Florida Department of Law Enforcement and the Metro Dade Police special re-

sponse team, executed two Federal search warrants at the home and office of a suspect with two previous felony convictions for carrying a concealed weapon and cocaine trafficking. He had a history of violence and at that time was under investigation for a series of robberies and for trafficking in cocaine. ATF agents seized ten firearms from the suspect's home and one kilo of cocaine and a handgun from his office. The defendant was arrested for Federal firearms and narcotics violations.

Last month, members of the Florida Caribbean OCDETF took part in an ATF-sponsored investigation which resulted in the arrests of the three suspects and the seizure of 200 kilos of cocaine, two cars and a 45-foot trawler. The four-month investigation included a spot check surveillance of a suspect broker in the delivery of a large amount of cocaine by the trawler, "Tochina". In late February, the "Tochina" returned to Miami Beach. During surveillance, the suspects were seen removing large plastic bags containing the contraband from the vessel to a car. In addition to the narcotics and vehicles seizure, a .45 caliber semiautomatic was found at the broker's home.

Another recent investigation involved a four-month undercover operation in Jacksonville Beach, Florida that was worked jointly with other Federal, state and local authorities. This investigation led to the prosecution of 34 individuals for violations of the Federal firearms laws and state arrest warrants for over 106 suspects on narcotics charges.

During this operation, ATF undercover agents successfully purchased 98 firearms, including 36 machine guns, silencers, sawed-off rifles and shotguns.

Two men who were being sought for 12 armed robberies in the area were also identified during the investigation. This resulted in the recovery of stolen jewelry valued at $73,000.

From August, 1982 through February, 1986, ATF agents working with the Vice President's South Florida Task Force initiated over 1,600 criminal investigations, made 550 arrests resulting in over 400 indictments and 300 convictions. The defendants have received an aggregate prison sentence of over 1,600 years plus three life sentences. Seizures included 173 explosive devices and approximately 3,200 firearms. Over 50 percent of the firearms seized were machine guns, silencers, sawed-off shotguns or rifles. This is higher than any other major crime rate area in the country. These statistics reflect ATF's role in the Vice President's Task Force only and do not include statistics from our Middle or North Florida offices.

I think you have an indication from those statistics and the few cases I have mentioned that ATF agents in their pursuit of firearms and explosives violators often come into contact with drug traffickers and that the use of firearms and explosives by drug traffickers frequently results in violations that are more easily proved than drug charges, but the result is the same—we get the drug traffickers off the streets and out of business.

The magnitude of the problem may sometimes seem insurmountable, and I believe that it will be a long, but ultimately successful, battle. We believe our targeting major drug criminals under the Federal firearms and explosives laws is working to sever the drug-firearms connection and deals a serious blow to drug trafficking.

I am convinced that the combined resources, talents, expertise and experience of the entire law enforcement community working together in a combined effort will, in the long run, make it more difficult for drug traffickers to successfully operate. This is a war we must win.

I would like to thank the committee for allowing me to appear before you, and I also will entertain any questions that you might have.

Mr. RANGEL. Thank you. What was going to be the successful battle that you are talking about in the long run, drugs or arms control?

Mr. CONROY. Our combined efforts, the resources of the entire law enforcement community, working together, pooling all our resources I think in the long haul will have a very positive effect and not only on the drug situation, but the crime situation throughout the country.

Mr. RANGEL. But you said something about the ultimately successful battle, page four. Let me ask—I only have one question. First I want to congratulate all of you because you underline you are doing the job, the nation and the Congress is proud of what you are doing. We wish you luck and will see you in Washington, Mr. Gruden. Admiral, notwithstanding the fact that you are going on to a different type of responsibility, we expect that once you get your hands involved in this type of work that you won't let us down, you are doing a tremendous job, and we will continue to need your expertise, your guidance and your advice in what we all are trying to do, and we wish you a great amount of success in your new responsibilities.

Admiral CUERONI. Thank you, Mr. Chairman.

Mr. RANGEL. I just want to ask you one question, and that is that if we did not do any more than we are doing today in demand, that is there has been no substantial change in demand, and assuming that the situation in source countries not only does not improve, but they get worse, that you find continued bumper crops in coca leaves and opium and marijuana, and we double your resources of each and every one of your agencies, would we expect to find any appreciable impact in the amount of drugs that would be made available on the streets?

And I just would be interested in hearing from those who would say yes. You see, gentlemen, my problem is that we in the Congress and you in your jobs all know how to say we are doing a good job, but no matter what we are doing, obviously to the person, to the taxpayer in the street, we are not doing enough, and the reason we have these meetings is not really to come down on you for not doing more, and certainly we expect that you would be telling us you could do a better job if you had more to work with. But we are doing something wrong because the drugs are on the street, every year it is getting worse, and every year we are putting more money into it, and it is not working out.

I would like to participate in improving the quality of life, too, but unfortunately my two years in the Congress, every term I have I can't go back home and say that I have done a better job in terms of eliminating this poison that is on the street.

Senator Pepper.

Mr. PEPPER. Thank you, Mr. Chairman.

Again, let me thank you immeasurably for the magnificent contribution that this hearing has made. I believe this is one of the most important hearings altogether that I have seen.

I am very much concerned, as I have listened to the testimony here, and you have spoken with doubt and equivocation about the ultimate success in strangling this ferocious industry, and I ask if we are not going to have some way to diminish the source, reduce the number of customers, the market. It is going to be difficult to do, and we may have to ask the citizens to do some things they don't want to do in order to diminish that market.

The truth of the business is, and nobody knows it better than all of you gentlemen, that we are just scratching the surface of this problem. With all the credit you all deserve for your excellent contributions, you know as well as we know that the subject is practically out of hand, that the law is not able to restrain it.

People in Dade County, people from every part of it, are living in fear of their lives, and every time you pick up a paper, I read from the morning paper about some crimes that were reported there, perpetuated in this county, and I read this morning, a lady in the early morning went out to water the flowers, and to remove the garbage from the rear of her house, two men burst into the front door and shot her husband and beat her up.

People are afraid to walk the streets, even afraid to be in their own homes. We have countless numbers of instances about burglars breaking into people's homes and killing them or wounding them.

The distinguished Chairman said, the public is getting very much aroused by it, and I hope enough to do something effectively about it. Obviously we should do more to interdict, and if the United States fought a war with one hand tied behind it, the way we are fighting this war, we wouldn't win, probably. We don't fight wars that way generally.

If we are going to try to interdict this terrible thing coming into our country, we ought to just say we are going to do it and send the Navy and give the Coast Guard and Customs, and all the power you need, put a screen around these countries which are the source of these drugs, and put all the surveillance facilities we have, damn it, we are not going to permit you to do what we are doing in our country, and we have not got that mad about it yet.

We are still fighting the sort of war there was when Hitler let everything go for a while, when the real war started in Europe. We are just fighting sort of half-heartedly.

Well, now, you have all testified that a large percentage of your effort goes into fighting drugs, especially with the drug problem.

The able Mr. Cusack here told me that the general Federal contribution is about $1,700,000,000. He tells me that for education, it was about $24 million we are spending on education and $200-some-odd million for treatment.

Well, now, we are not drying up the source very quick, and I am wondering, how are we going to drain, and dry up this market, and we know what happened with Prohibition: As long as people can make a lot of money from some criminal activity, they are going to do it.

It is a terrible task to stop them. We couldn't stop the rum runners in Prohibition days, and we are not able to stop the drug runners now, so I am beginning to wonder. If they were caught, we should do much more than what we are doing through the interdiction process.

I want to join you, Mr. Chairman, in the high compliment you paid to Admiral Cueroni; the whole country is grateful for what he has done. You have had your hands partially tied behind you.

I heard you say you didn't know whether you were able to do as good a job next year as you did last year.

Admiral CUERONI. That is right.

Mr. PEPPER. How can we reduce this market?

The Admiral spoke with some doubt about the light at the end of the tunnel. I understand drug use is perhaps increasing in the country today among the young and others. That means there are more addicts gradually being formed out there.

I am wondering if it should not be made a crime to take an addictive drug, one that will cause you to do violence to other people. I would vote for a bill that would make it a criminal offense for anyone to start on the path of addiction, that will make you a menace to society.

If you want to take coffee, cigarettes, a sleeping pill, it is your own business, but when you have to get out and rob and steal and murder to raise several hundred dollars a day to sustain an addict, that demand, that is my business, part of the public as well as the business of that individual.

Now, what can we do? You mentioned, one of you mentioned about spending more money on education. I agree with that thoroughly.

Should we require employers and schools and everybody to make people take drug tests for these serious, addictive drugs that make you dangerous? I wouldn't have any objection, if they wanted to have members of Congress take it. I would be glad to take it. We are members of society.

Have you all any suggestions, what can we do to reduce the purchasing power in this country of these dangerous drugs?

Admiral, do you have any suggestion?

Admiral CUERONI. Senator, I am afraid it is such a difficult problem. I think that there are, the way we are going to effectually rid our country is going to be in very, very small incremental steps.

Let me just say that the people here that are in the business of law enforcement, and you people as the law makers of our country, are out ahead of the power curve with the public. That is where our problem is. These gentlemen here put their lives on the line daily because they believe that drugs are insidious. They believe that it is a national security problem, and make no mistake about it. The fact that the public is not with us should not, never deter us.

We need the assistance of the law makers. We need to let the grassroot Americans come to their senses and say, drugs are bad. In the meantime, we are going to be out on the point doing the best job we can to ensure that at least if we cannot put a lid on way over it, we have a lid starting to get on the pot.

There are a number of things that can be done by the public and particularly by the business community. I would be very much in favor of urine analysis being a condition of employment.

Mr. LAWRENCE SMITH. I think we can hit them harder in the pocketbook. Take more of the money out of the pockets. I think the Bank Secrecy Act——

Mr. PEPPER. Excuse me. May I interrupt?

A bank that is found guilty of laundering this money, they ought to get something more than a tap on the wrists, it seems to me. Tell a bank when you are caught three times laundering this money and you know you are doing it, take your franchise away from them.

They are not fit to do business if they are going to omit something so dangerous to the country.

Mr. LAWRENCE SMITH. Would the gentleman yield?

Mr. PEPPER. Yes.

Mr. LAWRENCE SMITH. The First Bank of Boston was charged with thousands of violations of the $10,000 minimum cash transfer reporting fee, and was fined about a million dollars or some such number.

Mr. DARRELL SMITH. Five hundred thousand.

Mr. LAWRENCE SMITH. Literally thousands of violations. Banks here in town, the same thing.

Frankly, Mr. Pepper, you and I both know where the blame lies. If the Justice Department is not going to seek vigorous enforcement of the laws we gave them and is going to plea bargain these things down or negotiate these things down to nothing, we are going to have problems.

Mr. PEPPER. Well, we will have to tell the governors we are going to impeach them if they don't do it.

Mr. KWAS. We are in the process of a urinalysis program.

Mr. PEPPER. Mr. Gruden.

Mr. GRUDEN. Sir, I have not disagreed with anything I have heard.

I have to admit, after being in this business for 23 years, I don't know if I have any suggestions for you. We have a tremendous appetite for drugs in this country, and we have a glut on the market in South America and the other producing countries and as long as those two situations exist, we will find individuals that are willing to take the risk under the present system.

Mr. PEPPER. If they got the market.

Mr. GRUDEN. They have the market. We have to continue what we are doing, as the Admiral indicated earlier, and raise the ante rate across the board, put more resources into our enforcement effort, and we have to reduce demand in this country.

To do so will require an incredible amount of resources, and quite frankly I don't know if we have the national will to do it.

Mr. KELLNER. In order to deal with this problem, we have to deal with demand.

When I was young, and in sixth grade, and I started smoking then, I did so for two reasons: One, I did it because it made me feel grown up, and I didn't think there was anything wrong with it.

We have to start in the schools and start with the parents, and we have to teach that there is an alternative, a better alternative to drugs.

I think that students have to be taught to counter the peer group pressure which is in the schools now, to take drugs. We have to give the children an alternative.

Combined with that, we have to continue aggressive law enforcement. I see the two working hand in hand.

I can't see, on the one hand, teaching people that drugs are bad and that it will affect their lives dramatically, and on the other side say, well, even though drugs are bad, we are not going to worry about law enforcement, sending the wrong message.

There has to be a combination of strong, continued law enforcement and education at all levels. I don't think that this is a short process. I believe that it will take a long time to do this because we are dealing with generations.

Mr. CORLESS. Education, I have been in the Miami Division for over five years. In the beginning, we ran $60,000 for a kilo and saw it drop almost to half that price right now.

No area has received more drug traffic attention than South Florida, between all the task forces, increases in local authorities, we still see we have a national problem with drugs. We have put in a tremendous effort, a law enforcement effort, more arrests, more seizures, and we still have a drug problem and there is no easy solution to it and adding or doubling the force won't increase our efforts.

We will have greater seizures again, but it won't cure the problem. We have to go into education, couple education with continued enforcement and tighten up some of the laws, but it is not just one single answer to the problem. But education is one of the key areas we have to pursue if we want to see a change.

Mr. PEPPER. If an addict is arrested for a burglary, let's say, and it develops into his incarceration, that he is an addict, do the courts keep him in custody until he is treated for that addiction? What do they do with him?

Mr. KELLNER. A person incarcerated in the Federal system and is an addict, I believe is sent for detoxification to a Federal facility such as Lexington where there are Federal prison hospitals, and if they have an illness or an addiction, which is an illness.

Mr. PEPPER. What percentage of the addicts that burglarize and rob do you think we catch, either of you?

Mr. GRUDEN. Relatively few and the ones we do catch are back out on the street in a day or two. Very few end up incarcerated. I don't think there is any argument about that.

Mr. PEPPER. The last gentleman down there, what can we do to diminish the market?

Mr. CONROY. I agree with my colleagues that preceded me on that question. It is about as complex a question that you can pose to anybody.

On the one hand, we have a classic supply and demand type situation, and over the years we have demonstrated a great demand for narcotics, and we have many narcotic-producing areas that are more than happy to accommodate us.

The real solution, the secret to this problem lies in a very aggressive, prolonged educational program, and you have to kill the demand.

Mr. PEPPER. I believe one of you gentlemen testified that about 70 percent of the drugs that came into the United States came in through Florida.

Now, what percentage of those drugs that come into Florida would you say are used, consumed in Florida?

Mr. GRUDEN. I made that statement, Senator. I can't tell you what percentage is consumed in Florida, but a relatively small percentage.

Florida is the gateway for marijuana and cocaine entering into the country and the vast majority is transported to other parts of the country.

Mr. PEPPER. How do they get out of Florida? The majority of the drugs that come into Florida go outside to the rest of the country; how?

Mr. GRUDEN. By any means available—air, boat, automobile, truck, bus, train.

Mr. PEPPER. I have not heard much about any interdiction going out of the State of Florida into the rest of the United States. We have all been talking about interdiction coming into Florida. Are we not searching people that cross the Florida state line?

Mr. GRUDEN. We have a couple of——

Mr. PEPPER. Not watching the planes that leave here? How is all that getting out of Florida?

Mr. GRUDEN. We have a couple of programs to deal with that problem, but it is not as effective as we would like it to be.

We are dealing with profiles, probable cause. It is much easier from the standpoint of searching and interdicting to do so with drugs coming into the country as opposed to interstate movement of drugs. But we do have programs in place and working very closely with the state authorities on those programs.

Mr. PEPPER. Maybe, Mr. Chairman, I have not heard any evidence, as I recall at this hearing, about the problem of stopping drugs from leaving Florida?

Mr. RANGEL. Did you say there is an interstate interdiction program?

Mr. GRUDEN. Called Operation Pipeline.

Sir, we are working very closely with the state authorities at the bus terminals, airports and on the highways.

Mr. RANGEL. I happen to agree with you, Chairman Pepper, I have never heard of a state interdiction, interstate interdiction program.

Mr. GRUDEN. Operation Pipeline.

Mr. LAWRENCE SMITH. It is called Agricultural inspection.

Mr. RANGEL. I thought it was called New Jersey Turnpike.

Mr. LAWRENCE SMITH. More or less the same thing.

Mr. GRUDEN. Somewhat similar.

Mr. RANGEL. Thank you, Chairman Pepper.

Mr. PEPPER. Mr. Chairman, with all credit to all of you for all you have done, we have to find some new techniques and take some new approaches along with the old things.

Mr. RANGEL. Thank you, Chairman Pepper. Mr. Gilman.

Mr. GILMAN. We go away a bit more despondent than the last time we all met together, after hearing all of this, and to see where we have been over the past few years, all of the effort and the funding that has gone into it, and to see how the product has continued to escalate, the crime rate escalate, it is disheartening to be confronted with all of this.

You talked about what the needs are, where the problems are; we need more education, more funding, more resources. How many times have you gotten together as a group like this to try to evolve a new strategy, a new approach, to do what the gentleman from Florida was suggesting, try to find some new initiatives? Have you sat down around and had a skull session to come up with some new initiatives? Has there been that opportunity?

I recognize you consult with each other on the day-to-day problems, and the band-aid approach, putting out the fires. Have you had the opportunity to sit for a few hours, or maybe a couple of days to look at new strategies?

Admiral, you are the chief in charge.

Admiral CUEROINI. No, sir, the Vice President's Task Force, we had done that. For example, Blue Lightning came about as a result of some meetings we had where we thought we had to do something. We wrote a letter to the Vice President, and the Vice President met with the Bahamian authorities. And as a result of that meeting, we agreed to do a combined operation, and that is in the interdiction area.

Mr. GILMAN. A good program. And you said let's see what we can do to take a chunk out of the flow by interdiction. What I am asking, is what we are talking about today, how do we evolve a better strategy, and bring about a better approach to this whole problem? Have we sat down together and tried to do that, and if not, why can't we?

You got some of the best minds in the business. You are the generals out in front of the troops, out in the battlefield. It seems to me if you took some time and sat down together and gave us some new thinking, it would be extremely helpful. There are no better guys than yourself in this business. The armchair generals up in Washington don't have as much experience as there is gathered right here at this table, and as we listen to you, you are deeply involved with the problem and have been for many years, and there is probably more experience here at this table than there is in any other place in the drug enforcement field. Why couldn't you sit down and take some time? Maybe you can come up with some better way to approach it.

We have heard a lot of testimony today, educators, administrators, and we had the Governor here and all of them are virtually throwing up their hands and pointing to some other area: we need more money. That is my problem. You ought to do a better job in education. That is our problem. We are not doing enough at the source. That is the problem.

I think there has to be a better way of doing all of this, and we look to you for your thinking. We are here to try to help in any way you need help. You need more resources, we will take a look at that.

I was appalled to have a Coast Guard report handed to me that says since October '65 the Coast Guard has been in a squeeze-down method of operations in all other areas of the country except the Southeast. To hear that kind of thing means you are not able to do some things because you don't even have an inventory of spare parts.

What about an overall, more effective national strategy to try, once and for all, to make a dent in this problem? I would urge you to take some leadership and give us some new thinking.

Mr. KELLNER. Congressman, each of us at this table, I think, have committed a substantial portion of our waking lives to dealing with this problem, at least on the law enforcement side.

Mr. GILMAN. I am sure you have. But one of the problems is that none of us—we are all rushing from one place to the other, rushing to put out fires all the time, and we don't sit and take a look at the long-range aspect of this.

Mr. KELLNER. It is very frustrating to do our jobs, and speaking for my compatriots at the table, they do a tremendous job. We see more drugs coming in, and we see the price of drugs coming down and statistics indicating increased usage among the American populace, and that is very frustrating. This is also being felt by U.S. attorneys throughout the United States, and we did just what you suggested.

We had a three-day meeting because there is an increasing frustration among all law enforcement professionals that there has to be a better way, and I agree with you, that we have to, and it is our obligation not only to enforce the laws that you gave us, but to find a solution, and it is a very difficult one.

Mr. GILMAN. When did you have that meeting?

Mr. KELLNER. This meeting was held in March of this year in Clearwater, Florida. All the U.S. attorneys in the United States were there.

Mr. GILMAN. A brain-trust type of thing?

Mr. KELLNER. A recognition that what we are doing in law enforcement is not enough. We as U.S. attorneys had to get involved on the demand side as well because it was recognized for the four or five years we have been doing this it hasn't been working, and we should get involved on the demand side as well.

Mr. GILMAN. Was that the only answer, just getting involved in the demand side? Was that the only new initiative?

Mr. KELLNER. That was the only new initiative that we thought of.

Mr. GILMAN. There is no question we have not done enough on demand. We should do a lot more. We know that is not going to make a big dent unless we try some other new tactics and strategies, and we cannot let down on enforcement, do some things about demand and source is important, eradication, but there has to be a better way of focusing attention.

The President is considering making this a national security problem, and when the President makes it a national security problem it is virtually declaring an all-out war on the problem and bringing the military into it more than before.

All of that is going to be meaningless if we got an open door, where you bring in the criminals and let them walk out the other

end of the courtroom, it is going to be meaningless if we don't do something about having a coordinated international cooperative approach to the problem.

Again, we look to you for some new initiatives, and I would hope that putting your heads together from time to time can help us bring that about.

One question on my part. Give me the most important thing you would like to see us do in Congress, from each of your own aspects. Admiral? Don't worry about what the boss would say. We are here to hear what you think.

Admiral CUERONI. I am too far along the way to worry about what my boss is going to say.

The single most important thing that you gentlemen can do is please give us a 1987 budget. Don't let Gramm-Rudman get to us. And I say that in all sincerity. I am sorry it is not specifically on this topic, but, please, gentlemen.

Mr. GILMAN. Let me go right down a moment, if you would, here.

Mr. DARRELL SMITH. I would like to echo what the Admiral said and back it up into fiscal year 1986. IRS is in difficulty right now in fiscal year 1986, and we are facing tremendous furloughs. We are already below our staffing level of fiscal year 1984. In the criminal division, we have a reduced staffing nationwide, even compared back as far as 1979.

This continued reduction in staffing, we are not going to make a dent in the dollars. Again, I would say that a greater emphasis on getting the dollars, taking the dollars away from the traffickers will do as much harm as putting them in one door of the jail and out the other. Taking money away from them will have more of an impact than prosecuting a lot of them.

Mr. GILMAN. How much nationwide have we taken from traffickers, just roughly? I saw in this region $287 million or something.

Mr. DARRELL SMITH. Four hundred and some million in jeopardy, in termination assessments. That does not include what would be considered regular tax assessments on cases that are examined through the normal process of these. These are just the jeopardy and termination assessments.

Mr. GILMAN. That is a $100 billion business, and that is a conservative estimate, and yet we are bringing in 400 million bucks.

Mr. DARRELL SMITH. What we are doing today we are doing with reduced staffing compared to three years ago.

Mr. GILMAN. Is there something more that we could be doing if we had more staffing? Can you really make that big dent, do you think?

Mr. DARRELL SMITH. Absolutely.

Mr. GILMAN. If you were directing the effort nationwide, how many more criminal agents would you put on?

Mr. DARRELL SMITH. I would staff up CID to pursue these types of investigations a significant percentage. I can't really speak nationwide, but in the State of Florida I have investigations right now that are just sitting—sitting on a back shelf, excellent tax dollars involved, big dollars, not just small amounts, that we just don't have the resources to assign an agent to investigate.

Mr. GILMAN. How many CID agents do you have?

Mr. DARRELL SMITH. Right now I am down 14 from fiscal year 1984. I have a total of 178, and that includes 15 managers. I could put 50 agents to work tomorrow, if I had them, on significant criminal tax cases.

Mr. GILMAN. Mr. Kwas.

Mr. KWAS. This year the resources for customers in the South Florida area has increased dramatically, so in addition we need the 1987 budget as soon as possible and the key focus on the problem.

Mr. GRUDEN. We all need increases in personnel and resources, and you have to make those across the board. For instance, I have agents right now that I believe are being very successful and very busy in conducting major investigations. But the big hangup I have right now—and I discussed this with Leon—we need more assistant U.S. attorneys, more judges. It does me little good to add 10, 20, 50 agents to my staff, to go out and conduct the investigations, if I can't get them prosecuted through the system. The big hangup right now is a lack of assistant U.S. attorneys and enough judges pushing these cases through the courts.

Mr. GILMAN. Is there overcrowding in the Federal prisons?

Mr. GRUDEN. I don't know of any problem within the Federal prison population. I am talking about the number of prosecutors and judges.

Mr. GILMAN. Does that affect the conviction rate at all? The sentence?

Mr. KELLNER. Congressman, it does not affect the conviction rate. In the past four years the number of cases pending at the end of the fiscal year has increased from the prior year.

Mr. GILMAN. How much of a backlog do you have?

Mr. KELLNER. By the number of cases, you mean I have under investigation?

Mr. GILMAN. Narcotics.

Mr. KELLNER. Quite a number sitting on the shelf, and they are sitting there because I don't have the assistants.

Mr. GILMAN. How extensive is your backlog?

Mr. KELLNER. It is very hard to give a number on it, because, for instance, if you have a 2,000-pound seizure, I will indict and convict the people who brought it in, but that is not enough. I have a statistic that said I did the case but what is needed is to take those people convicted, put them back in the grand jury, give them immunity, and go after the chain. I don't have assistants to do that.

When you say how many cases are sitting, it is very difficult for me to say, because anytime in my view that I have a substantial seizure, it is my job not only to arrest the people, indict the people and convict the people that brought the narcotic in, but go up the chain. If I don't have those resources, I can't do it. The judges down here, quite frankly, on the criminal side, have a higher caseload than anyplace else in the United States.

Mr. GILMAN. I will be pleased to yield to the gentleman from Florida.

Mr. RANGEL. The gentleman, is going to yield to you for whatever questions you may have.

Mr. LAWRENCE SMITH. Thank you.

He is consuming a line that I wanted him to know and the rest of the panel, I appreciate what they have been doing. They have all been doing very well with the assets we give them.

Mr. Gilman, if you go down the line and talk about what they have been doing and the assets they have, the Admiral and IRS have been short-funded—how many empty positions do you have?

Mr. DARRELL SMITH. They are full now.

Mr. LAWRENCE SMITH. We had to transfer money from other parts of the United States to fill those positions.

Peter, you are about full. The problem is, once you make your cases, you run into a wall with Leon.

Leon, you are short-staffed. We had to take a civil docket and take about 75 percent and back the criminal division so the civil docket is now almost dead while the criminal division also has problems.

The FBI is about the only place where there hasn't been significant cuts and BATF has also taken some hits. Every agency you see here has been hit significantly by cutbacks, and I hate to say this, but I am not going to be as nice as the Chairman. It is because this administration has proposed those things.

There have been cutbacks in the areas we didn't want to cut back, and we allowed it to happen, and it is wrong. This is where we should have been putting the money and we didn't. We let the President tell us to cut them and we did cut them.

I have been with every one of these people at one time or another in the last three or four years, and four or five times, and I have never had a problem with the job they do, but each time they try to tell us they are doing a good job, and yet I know they have at least one hand tied behind their back.

They talk about demand. We all came to that conclusion a long time ago. We really don't have a demand side, and we ought to plug that into them.

But until we put them where they belong in terms of funding and plug the demand side in, it isn't going to work either, and they are going to continue to do a good job with what we give them but we are going to keep losing the battle. And for this place, South Florida, that means that 70 percent is going to be a constant figure, but it is going to grow and grow and grow in terms of the amount.

It will be 70 percent, but it will just be bigger and bigger, and if we don't get the countries over there to stop growing this stuff and we don't interdict it by giving him more and get on-shore prosecutions and arrests, what good is it? It is all nothing. We will lose it.

We are losing it now and we are doing the right thing. We have a national strategy. We know what we should be doing. We just ain't paid the price yet.

I thank the gentleman for yielding.

Mr. GILMAN. Mr. Corless.

Mr. CORLESS. I would support Mr. Kellner because I think one of the most important things for our office is getting more prosecutors and that is the area we need the most immediate help.

Mr. GILMAN. Mr. Conroy.

Mr. CONROY. ATF, since 1982, has worked extremely hard throughout the State of Florida to increase our investigative resources, the number of agents we have.

I have tripled my agent staff in the state since 1982, and I certainly hope with the funding situation on the horizon that that does not deplete it.

Mr. GILMAN. I want to thank all of the panelists. Please give some thought to doing a little brain trusting and giving us advice. We need it on this issue.

We know how critical it is. It is becoming our number one national security problem. It is eating away at the fiber of our society, and we need your help.

Thank you, gentlemen.

Mr. RANGEL. We gave a list of questions that has been prepared by staff for us to ask and as you can see, the members went their own way, so I will ask the chief of staff whether he would be kind enough to forward those questions to you, and if you could get back answers.

Claude Pepper, who has to be the House leader in this area, has just whispered to me, if he can whisper, that this has been one of the most informative hearings that he has ever participated in and indicated that this was just an outstanding panel, and I would have to agree with him. You have made an outstanding contribution to our thinking.

We hope that even though this hearing comes to a close, that you will feel comfortable and free to forward to our committee any additional recommendations that you will have.

You may be pleased to know that we are embarking in another area with the Advertising Council and going after some of our larger businesses, hoping that they will make contributions toward the experts in mind altering media in trying to assist us in getting the message out.

The Chief Justice of the United States has agreed to participate as well as Cardinal O'Connor and those type of people who collectively might have impact on adult as well as younger people's thinking.

If you have any ideas as to what we can do to get the message out, we want to do it, and congratulate you for what you have been able to do.

And whenever you think about Gramm-Rudman, it helps us if you think about who voted for it.

We stand adjourned.

[Whereupon, at 2:25 p.m., the committee adjourned.]

SUMMARY OF DRUG EDUCATION EFFORTS IN FLORIDA

COMPREHENSIVE HEALTH EDUCATION PROVIDES FOR DRUG EDUCATION

Section 233.067, Florida Statutes, the Comprehensive Health Education Act, provides state guidelines and special funding for an umbrella health education program to address physical and emotional health-related problems through public school instruction. Annual applications for funding from school districts must include a "provision for a sequential program of instruction in comprehensive health education including nutrition education and drug abuse education at the four progressional levels, K-3, 4-6, 7-9, 10-12."

STATE PROVIDES SPECIAL FUNDS FOR DRUG EDUCATION

An average of over one million dollars a year has been distributed to school districts since 1974 through the comprehensive health education program.

DRUG EDUCATION IS REQUIRED AMONG THE DUTIES OF INSTRUCTIONAL PERSONNEL

Section 231.09, Florida Statutes, requires, among the duties of instructional personnel, the teaching of "the true effects of all alcoholic and intoxicating liquors and beverages and narcotics on the human mind and body, the adverse effects and implications of cigarette smoking." The law also requires the teaching of kindness to animals, proper flag display and the principles of agriculture.

ABILITY TO RECOGNIZE SIGNS OF ALCOHOL AND DRUG ABUSE REQUIRED OF TEACHERS

Candidates for teaching certificates must demonstrate the ability to recognize signs of alcohol and drug abuse in students and demonstrate counseling techniques with emphasis on intervention and prevention of future abuse.

DRUG USE, SALE OR POSSESSION ARE GROUNDS FOR EXPULSION FROM SCHOOL

Section 230.23, Florida Statutes, requires school districts to distribute to all students a code of student conduct which must include notice that possession or sale of controlled substances on school property or at school functions is grounds for expulsion.

PROTECTION FROM CIVIL LIABILITY IS PROVIDED FOR SCHOOL PERSONNEL WHEN REPORTING DRUG USE, SALE OR POSSESSION

Section 232.46, Florida Statutes, exempts all school personnel from civil liability when reporting in good faith suspected unlawful uses, possession or sales of drugs.

SCHOOL DISTRICTS REPORT DRUG EDUCATION

In the Comprehensive Health Education funding applications for 1981-82, 84 percent of applying districts specifically mentioned providing some drug abuse education. Of those districts, 40 percent mentioned drug education at the elementary level, 67 percent at the middle/junior high level and 55 percent at the high school level. This is probably quite low. Most students receive some drug education at all levels. The precise extent and quality of that drug education has not been determined.

A survey of school principals by the Governor's Commission on Drug and Alcohol Concerns indicated that 97 percent of the schools provide some type of substance abuse information. However, only 42 percent rated their program as adequate.

DRUG EDUCATION IS REQUIRED FOR HIGH SCHOOL GRADUATION

One-half credit in Life Management Skills, which must include instruction in drug education and must be taken in either the ninth or tenth grades, is required for high school graduation in Florida.

STATE GUIDELINES SPECIFY DRUG EDUCATION OUTCOMES AND STANDARDS

Curriculum frameworks and performance standards developed by the Department of Education for adoption by school districts delineate specific outcomes expected in high school drug education.

SCHOOLS AND COMMUNITIES COLLABORATE FOR DRUG EDUCATION

At both the state and local levels, there is substantial collaboration between schools and community prevention agencies and parent advocates for drug education.

SCHOOL DISTRICTS HAVE MAJOR RESPONSIBILITY FOR DRUG EDUCATION

Under the philosophy of local control, district school boards are responsible for the quantity and quality of drug education.

GOVERNOR'S COMMISSION IS RECOMMENDING STRATEGIES FOR IMPROVED SCHOOL POLICIES

The blue-ribbon Governor's Commission on Drug and Alcohol Concerns will soon be releasing recommendations on strategies to improve school policy on drug abuse prevention.

STATE OF FLORIDA
DEPARTMENT OF EDUCATION
TALLAHASSEE 32301

RALPH D. TURLINGTON
COMMISSIONER

H. B. PINKNEY
CHIEF, BUREAU OF
CURRICULUM SERVICES
DIVISION OF PUBLIC SCHOOLS

May 22, 1986

Representative Charles Rangel, Chairman
U. S. House of Representatives
Select Committee on
Narcotics Abuse and Control
Room H-2-234, House Office Building Annex #2
Washington, D. C. 20515

Dear Representative Rangel:

I appreciated the opportunity to testify for your Select Committee on Narcotics Abuse & Control in Miami on May 16, 1986. I had the privilege in representing Commissioner Ralph Turlington from the Florida Department of Education.

Florida is proud of the implementation of the Comprehensive Health Education Act which has provided funding in the amount of $1,446,071 for the 1985-86 school year. Districts implement drug education as a part of the total Comprehensive Health Education program.

Please feel free to contact me for any additional information at 904/487-0687.

Sincerely,

Mae Waters

Mae Waters
Health Education Consultant

MW/mct

STATEMENT OF THE

HONORABLE CHARLES B. RANGEL

CHAIRMAN

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

ON

DRUG ABUSE AND DRUG TRAFFICKING IN SOUTH FLORIDA

MAY 16, 1986

GOOD MORNING LADIES AND GENTLEMEN.

THE HOUSE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL IS IN MIAMI TODAY TO EXAMINE THE ACCOMPLISHMENTS OF FEDERAL NARCOTICS ENFORCEMENT AND INTERDICTION EFFORTS IN THE SOUTHEAST. IN ADDITION, WE WILL ALSO INQUIRE INTO THE IMPACT OF GRAMM-RUDMAN, AND THE BUDGET RECOMMENDATIONS OF THE PRESIDENT FOR FISCAL YEAR 1987, ON OUR SOUTH FLORIDA EFFORT.

I WOULD LIKE TO EXTEND THE DEEP APPRECIATION OF THE SELECT COMMITTEE TO OUR ESTEEMED COLLEAGUE, SENATOR CLAUDE PEPPER FOR INVITING THE SELECT COMMITTEE TO HOLD THIS HEARING TODAY. HIS LEADERSHIP IN THE CONGRESS ON THE DRUG ABUSE ISSUE, AS WELL AS SO MANY OTHERS, IS AN INSPIRATION TO ALL OF US.

AT THIS POINT I WOULD ALSO LIKE TO ACKNOWLEDGE THAT ANOTHER FLORIDA COLLEAGUE, REPRESENTATIVE DANTE FASCELL, CHAIRMAN OF THE FOREIGN AFFAIRS COMMITTEE AND A MEMBER OF THE SELECT COMMITTEE, HAD PLANNED TO PARTICIPATE IN THIS SESSION TODAY, BUT ANOTHER COMMITMENT HAS PREVENTED HIM FROM DOING SO. AT AN APPROPRIATE POINT I WOULD ASK THAT A STATEMENT BY CHAIRMAN FASCELL BE ENTERED INTO THE RECORD.

THE PRESIDENT'S SOUTH FLORIDA TASK FORCE ON CRIME, UNDER THE LEADERSHIP OF VICE PRESIDENT BUSH, WAS FORMED IN EARLY 1982 IN RESPONSE TO THE OVERWHELMING VOLUME OF DRUG TRAFFICKING AND CRIME OCCURRING IN THIS PART OF THE COUNTRY. SINCE THAT TIME MANY FEDERAL DOLLARS, INCREASED MANPOWER AND TECHNOLOGY, AND INNOVATIVE TECHNIQUES HAVE BEEN BROUGHT TO BEAR IN THIS, THE FRONTLINE AREA IN OUR WAR ON DRUGS.

HOWEVER, NOTWITHSTANDING THIS EFFORT, AND ALL THE RESOURCES AND TALENT DIRECTED TOWARD DRUG ENFORCEMENT AND INTERDICTION IN THE SOUTHEAST, THERE HAS BEEN LITTLE, IF ANY IMPACT ON THE AVAILABILITY OF ILLICIT DRUGS ON AMERICA'S STREETS. I AM MAKING THIS STATEMENT, NOT TO BE CRITICAL OF THE GREAT EFFORT BEING UNDERTAKEN IN FLORIDA, BUT TO DRAW ATTENTION TO THE OBSERVATION THAT IF WE CAN'T SUCCEED IN THE WAR ON DRUGS IN FLORIDA - WITH THE LARGE COMMITMENT AND INVESTMENT WE HAVE MADE HERE - WHERE AND HOW CAN WE SUCCEED?

IT IS TIME FOR ALL OF US INVOLVED IN FEDERAL DRUG POLICY TO BEGIN TO ASK SOME HARD QUESTIONS ABOUT THE PRESENT THRUST AND DIRECTION OF OUR DRUG CONTROL EFFORT.

DATA MADE AVAILABLE TO THE SELECT COMMITTEE BY THE DRUG ENFORCEMENT ADMINISTRATION SHOWS THAT THE TRAFFICKING OF ILLICIT DRUGS INTO SOUTH FLORIDA REMAINS UNABATED. WHILE FEDERAL SEIZURES OF ILLICIT DRUGS ARE STEADILY INCREASING, THEY ARE INDICATIVE OF INCREASING SUPPLIES BEING DIRECTED AT THE U.S. FROM FOREIGN SOURCES.

COCAINE

IN THE MIAMI AREA, COCAINE IS IN ABUNDANT SUPPLY AND OF HIGH QUALITY.

FEDERAL SEIZURES OF COCAINE AMOUNTED TO 14,248 KILOGRAMS IN FISCAL YEAR 1985. THIS COMPARES TO THE SEIZURE OF 2,646 KILOGRAMS IN FY 1982 WHEN THE SOUTH FLORIDA TASK FORCE WAS INITIATED.

ACCORDING TO THE DRUG ABUSE WARNING NETWORK (DAWN) OF THE NATIONAL INSTITUTE ON DRUG ABUSE (NIDA) COCAINE-RELATED INJURIES WENT FROM 422 IN 1982, TO 931 IN 1984. THIS HIGH INCIDENCE OF ABUSE CONTINUED THROUGH 1985 WITH THE DAWN SYSTEM SHOWING 514 COCAINE-RELATED INCIDENTS THROUGH JUNE OF LAST YEAR ALONE.

COCAINE DEATHS IN THE MIAMI AREA GREW FROM 27 IN 1982, TO 90 IN 1984.

THE PRICE OF COCAINE IN THE MIAMI AREA HAS FALLEN GREATLY SINCE THE INCEPTION OF THE TASK FORCE. DAWN REPORTS THE PRICE OF A GRAM OF COCAINE HAS FALLEN FROM $100 IN 1982, TO AS LOW AS $50 TODAY. BULK PRICES FOR OUNCES AND KILOGRAMS HAVE ALSO FALLEN.

THE USE OF COCAINE IS SPREADING THROUGHOUT ALL SOCIO-ECONOMIC AND AGE GROUPS IN THE MIAMI AREA. THE LATEST DAWN

REPORT SHOWS JUNIOR HIGH SCHOOL STUDENTS HAVING ACCESS TO COCAINE, AND THE EMERGENCE OF "CRACK" (COCAINE IN ITS PUREST STATE) AT LOW STREET PRICES, AND "ROCK HOUSES" THROUGHOUT THE MIAMI AREA WILL ONLY INCREASE THE ABUSE OF THIS DRUG.

HEROIN

OF MOST CONCERN IS THE DRAMATIC INCREASE IN HEROIN ABUSE IN THE MIAMI AREA. FROM 1982 TO 1984, THE NUMBER OF HEROIN-RELATED INJURIES ROSE BY OVER 80 PERCENT; FROM 176 TO 320. PROJECTED INJURIES FOR 1985 SHOW A 19 PERCENT INCREASE OVER THE NUMBER REPORTED FOR 1984. HEROIN-RELATED DEATHS DURING THIS PERIOD JUMPED FROM 2 TO 12.

NIDA ALSO REPORTS AN INCREASE IN THE NUMBER OF PERSONS SEEKING TREATMENT FOR HEROIN ABUSE IN PRIVATE FACILITIES IN THE MIAMI AREA, REFLECTING A HIGHER SOCIOECONOMIC LEVEL OF USERS THAN IN THE PAST.

HEROIN SEIZURES IN MIAMI HAVE BEEN STEADILY INCREASING. IN FY 1985, FEDERAL AGENCIES SEIZED 9.75 KILOGRAMS OF HEROIN, AS OPPOSED TO LESS THAN A KILOGRAM IN FY 1981. FURTHER, THERE IS INCREASING EVIDENCE THAT THE "OLD LINE" ATLANTA-GREENVILLE HEROIN DISTRIBUTION NETWORKS, PROMINENT IN THE EARLY TO MID '70'S, ARE REGAINING IMPORTANCE.

MARIJUANA

MIAMI RANKS SECOND ONLY TO NEW YORK IN THE NUMBER OF DAWN MARIJUANA-RELATED INJURIES. DURING THE PAST THREE YEARS, INJURY RATES HAVE REMAINED AT HIGH, BUT RELATIVELY STABLE LEVELS.

BOTH COLOMBIAN AND JAMAICAN MARIJUANA ARE READILY AVAILABLE, WITH INCREASING AMOUNTS OF THE DOMESTICALLY GROWN VARIETY AVAILABLE.

FEDERAL SEIZURES OF MARIJUANA DRAMATICALLY DIPPED BETWEEN FY 1984 AND FY 1985, FROM 971,102 KILOGRAMS TO 543,400 KILOGRAMS RESPECTIVELY. THIS DECREASE IS REFLECTIVE OF SPECIAL ENFORCEMENT OPERATIONS SUCH AS HAT TRICK I AND II WHICH SERVED TO SUPPRESS BULK SHIPMENTS OF MARIJUANA COMING OUT OF LATIN AMERICA. HOWEVER, THESE OPERATIONS HAVE ALSO CAUSED A DISPERSION OF MARIJUANA SMUGGLING FURTHER UP THE EAST COAST, WITH GEORGIA AND THE CAROLINAS EMERGING AS SIGNIFICANT STAGING AREAS FOR OFF-LOADING OPERATIONS.

THE SIMPLE AND UNDENIABLE FACT IS THAT THE UNCONTROLLED PRODUCTION AND SMUGGLING OF ILLICIT NARCOTICS WORLDWIDE HAS FAR OUTPACED CROP ERADICATION EFFORTS IN DRUG SOURCE COUNTRIES AND U.S. INTERDICTION CAPABILITIES. A REVIEW OF THE RECENT INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT, ISSUED BY THE STATE DEPARTMENT ON FEBRUARY 21, 1986. YIELDS THE INESCAPABLE THAT WE CAN EXPECT BUMPER CROPS OF ILLICIT NARCOTICS IN EVERY MAJOR PRODUCING COUNTRY.

69-513 O - 87 - 4

DURING A STUDY MISSION BY THE SELECT COMMITTEE TO SOUTH AMERICAN LAST AUGUST, WE FOUND A SHOCKING INCREASE IN THE GROWTH OF COCA AND THE ABILITY OF DRUG TRAFFICKERS TO OPERATE INIMPEDED IN VAST AREAS OF SOUTH AMERICA. COCA PRODUCTION INCREASED FROM 55 THOUSAND TONS TO 150 THOUSAND TONS IN BOTH PERU AND BOLIVIA DURING THE PAST TWO YEARS ALONE. IN COLOMBIA, ESTIMATES OF COCA PRODUCTION HAVE JUMPED FROM 15,000 TO 25,000 HECTARES. COCA CULTIVATION HAS ALSO BEGUN IN ECUADOR AND BRAZIL.

A CONSEQUENCE OF THE TIDAL WAVE OF ILLICIT NARCOTICS BEING DIRECTED AT THE UNITED STATES IS THE INCREASING FRUSTRATION OF LAW ENFORCEMENT OFFICIALS ABOUT THE ABILITY OF THEIR PROFESSION TO COPE WITH OUR NATION'S DRUG ENFORCEMENT PROBLEM. INCREASINGLY LAW ENFORCEMENT HERALDS THE THEME THAT EDUCATION IS THE ONLY SOLUTION TO OUR NATION'S DRUG PROBLEM.

WITH THESE THOUGHTS IN MIND, IT IS OUR INTENTION TODAY TO ASK OUR WITNESSES "THE HARD QUESTIONS" I ALLUDED TO EARLIER. IT IS IN THIS CONTEXT THAT WE MUST COME TO GRIPS WITH GRAMM-RUDMAN AND THE ADMINISTRATION'S BUDGET RECOMMENDATIONS FOR FISCAL YEAR 1987. OBVIOUSLY, TO MAINTAIN AND INCREASE OUR EFFORT WILL REQUIRE ADDITIONAL RESOURCES, MANPOWER AND EQUIPMENT. FOR SOME OF THE AGENCIES PARTICIPATING IN THE SOUTH FLORIDA PROGRAM, PARTICULARLY: THE CUSTOMS SERVICE, COAST GUARD, AND THE BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS, THE PRESENT BUDGET RECOMMENDATIONS OFFER LITTLE OPTIMISM.

TO ASSIST US IN OUR EFFORT TODAY WE HAVE AN IMPRESSIVE LIST OF FEDERAL, STATE, AND LOCAL WITNESSES, MANY OF WHOM HAVE BEEN INVOLVED IN THE SOUTH FLORIDA EFFORT FOR QUITE SOME TIME. I AM PARTICULARLY PLEASED THAT OUR FIRST WITNESS THIS MORNING IS THE GOVERNOR OF FLORIDA, THE HONORABLE BOB GRAHAM. BOB HAS LONG BEEN OUT FRONT ON THE ISSUE OF CREATING A MORE EFFECTIVE FEDERAL DRUG CONTROL POLICY, AND TO EASE MANY OF THE PRESSURES ON FLORIDA, HAS WON HIM NATIONAL REPUTE AND OUR RESPECT.

BEFORE WE TAKE FORMAL TESTIMONY, I INVITE MY COLLEAGUES TO MAKE ANY OPENING STATEMENTS THEY WISH.

OPENING STATEMENT OF

CONGRESSMAN CLAUDE PEPPER

Mr. Chairman I want to take this time to thank you for accepting my invitation to bring your Select Committee on Narcotics to Miami at this critical time. With this hearing today you will hear about the state of emergency that exists in South Florida and how the Federal government must come to our aid. In a recent survey Miami residents said that the most important problem facing the community and the nation was crime and drugs. More people spontaneously named these two problems than such other pressing issues as war and peace, the nuclear arms race, the federal budget deficit and unemployment. I think Mr. Chairman this indicates the importance of this hearing today.

South Florida is in the midst of a major crime epidemic. Last year while crime increased an average of 4 percent in the United States it increased 29.6 percent in Hialeah and 12.5 percent in Miami. The reason - illegal narcotics. We know that the drug culture consisting of drug smuggling and selling is the cause of violent crime. This fact was recently substantiated in a comprehensive study conducted by the Dade-Miami Criminal Justice Council. Crazed junkies rob, mug and murder to support their habit. The money they receive goes directly to the coffers of organized crime which in the end uses it to further tighten their grip on the illegal drug trade perpetuating our 'fear of crime' existence. Mr. Chairman, my constituents can not walk the streets at night or during the day for fear of being assualted or murdered. Miami is our nation's murder capital where an estimated 64 percent of all homicides are related to substance abuse. Even when people muster the courage to leave their homes they are never sure that when they return their homes will not have been buglarized. We have had enough! Our nation must devote the resources to deal with this situation. The government has a responsibility to protect its people. Abdication of responsibility can not be tolerated.

Mr. Chairman, just last week your staff prepared a memorandum to you where they stated, "...trafficking of illicit drugs into South Florida remains unabated. While Federal seizures of illicit drugs are steadily increasing, they are indicative of increasing supplies being directed at the U.S. from foreign sources." They go on to say, "There is no State in our country that typifies the endemic problems associated with drug trafficking or is deserving of dedicated law enforcement resources to combat this problem then Florida and southern Florida in particular."

Presently, as you are well aware, our government has refused to provide the resources to mount an effective campaign to significantly reduce the pain and suffering forced upon us by the criminal elements of our society, preferring instead to deal with this massive problem in a largely symbolic fashion. Take for instance, the much heralded South Florida Task Force. For the first time an effective organization which included investigators, judges and prosecutors together with adequate funding was put in operation.. However, just when the task force was beginning to produce results its priority status and funding were significantly diminished. Today, the task force is just a shell of its former self completely ineffective.

Given the tidal wave of drugs entering our nation, the increasing use of drugs by our citizens and the resulting violent crime epidemic, the budget for FY 1987 proposed by the President is hardly comforting.

In the first line of defense, interdiction, i.e, stopping the drugs before they enter our country, we see a situation where the Coast Guard will not be able to continue even what they are now doing. The Customs Service will lose $17 million from its air operations. These are critical for stopping the estimated 18,000 flights each year which smuggle cocaine into our country. Under Gramm-Rudman the budget situation will become intolerable. D.E.A. will lose $16.3 million; Customs will lose $3.2 million resulting in 1,800 positions being eliminated and the Coast Guard will lose about $95 million. We are fighting the Administration to prevent cuts when we should be working together to find avenues to increase funding.

In the long term, the answer to this national nightmare is education and treatment. Unfortunately, the federal government spends less today on drug prevention and treatment than it did in 1980. In the FY 1987 budget these programs are further cut. The federal government acts like the proverbial ostrich with its head buried in the sand. Florida receives only $15 million from the federal government for drug abuse education and treatment. Most of these funds are devoted to treatment. The present level of services in Florida entail minimal prevention programs and treatment programs which are nothing more than a drying out process. People receive little, if any, long term counseling or assistance in altering their lifestyle which led to drug abuse in the first place. It is believed that only 10 percent of those that would avail themselves of effective treatment programs are able to enroll in such a progam.

Mr. Chairman I have the following suggestions for your committee to review and, hopefully with its prestige assist me in gaining their enactment into law. We can then return our communities to the people:

1-Impose a minimum mandatory bail on all persons charged with a serious drug offense in the amount of $250,000 plus an amount equal to the street value of the drugs involved in the offense.

2-Require a judge to deny release on bail to any person charged with a narcotics offense who: (a)has previously been convicted of a felony narcotics offense under federal, state, or foreign law; (b)is on paroie, probation, or other conditional release for a felony offense under federal and state law; (c)is an illegal alien; (d)was arrested in possession of a false passport; or (e) has been convicted of being a fugitive from justice.

3-Prohibit the granting of a suspended or probationary sentence for persons convicted of importing or exporting controlled substances, or manufacturing or distributing a controlled substance. Those already on probation should be required to submit to random urinalysis testing and if found positive they should be returned to prison.

4-Amend the Federal Criminal Code to provide that the proceeds from federal drug forfeiture, bail and fines imposed on drug offenders be transferred to a trust fund administered by the Drug Enforcement Administration. Distribution would be 50 percent for federal level drug enforcement, treatment and education; 20 percent to effective state and local programs in drug enforcement, treatment and education activities and 30 percent to states on a per capita basis for law enforcement treatment and education.

5-Allow reimbursement to state and local law enforcement authorities for the cost they incur while investigating drug offenses which contribute to the recovery of Federal taxes.

6-Increase the number of assistant U.S. attorneys nationwide..

7-Permit the Customs Service to participate in the gathering of foreign intelligence.

8-Allow the Customs Service to perform investigative, intelligence, and law enforcement functions within this country, beyond, the borders and ports of entry.

9-Significantly expand the use of the Customs canine enforcement teams to search for drugs at points of entry into the United States.

10-Increase the funding for education and treatment programs.

OPENING STATEMENT BY THE HONORABLE BENJAMIN A. GILMAN (22ND-NEW YORK)
AT THE HEARING IN MIAMI, FLORIDA
MAY 16, 1986

THANK YOU MR. CHAIRMAN, IT IS A PLEASURE TO BE HERE WITH YOU TODAY TO RECEIVE TESTIMONY FROM OUR DISTINGUISHED GROUP OF WITNESSES ON DRUG TRAFFICKING AND ABUSE IN THIS KEY REGION. I TOO WISH TO ACKNOWLEDGE THE PRESENCE OF OUR DISTINGUISHED COLLEAGUE, SENATOR CLAUDE PEPPER, AND PRAISE HIM FOR HIS TIRELESS EFFORTS IN OUR "WAR" AGAINST DRUGS IN THIS COUNTRY. I AM ALSO PLEASED THAT WE WILL HAVE THE OPPORTUNITY TO HEAR FROM GOVERNOR BOB GRAHAM WHO IS A STRONG AND DEDICATED LEADER IN THIS FIGHT.

SINCE THE ESTABLISHMENT OF THE PRESIDENT'S SOUTH FLORIDA TASK FORCE UNDER VICE PRESIDENT GEORGE BUSH IN 1982, MILLIONS OF DOLLARS HAVE BEEN POURED INTO A CONCERTED EFFORT TO REDUCE THE SUPPLY OF DRUGS IN SOUTH FLORIDA AND THE ENTIRE NATION. AS A RESULT, HEROIN, COCAINE, AND MARIJUANA SEIZURES HAVE INCREASED DRAMATICALLY IN THE REGION. COCAINE SEIZURES HAVE INCREASED SIX FOLD SINCE 1982, AND YET THE QUANTITY AND QUALITY OF COCAINE IN THE NATION AS A WHOLE, AND THE SOUTH FLORIDA AREA, IN PARTICULAR, IS GREATER THAN EVER BEFORE, AND THE PRICE FOR THIS DEADLY DRUG HAS FALLEN STEADILY. HEROIN SEIZURES HAVE ALSO INCREASED SHARPLY, BUT HEROIN AVAILABILITY AND ABUSE IN THE MIAMI AREA HAS ALSO INCREASED SHARPLY. DESPITE THE GREAT COOPERATIVE SUCCESSES OF OPERATIONS HAT TRICK I AND II, MARIJUANA REMAINS ABUNDANT IN THE REGION WITH NO SIGN OF DECLINE.

IT IS CLEAR THAT THE SUCCESSES WE HAVE ACHIEVED THROUGH INCREASED ENFORCEMENT ACTIONS HAVE NOT STOPPED THE DRUG TRAFFICKERS. IT SEEMS THAT THE MORE DRUGS WE SEIZE, THE MORE DRUGS ARE PRODUCED FOR CONSUMPTION.

ON OUR RECENT STUDY MISSION TO THE SOUTHWEST BORDER OF THE UNITED STATES, WE DISCOVERED AN ALL BUT UNCONTROLLABLE SITUATION WITH DRUGS ENTERING OUR NATION FROM MEXICO. OUR 2,000 MILE BORDER WITH MEXICO IS A SIEVE, AND WHEN COMBINED WITH THE DRUGS CONTINUING TO ENTER OUR NATION FROM FLORIDA, WE ARE PRESENTED WITH NOTHING LESS THAN A CRISIS SITUATION.

WE HAVE BEEN TOLD BY LAW ENFORCEMENT OFFICIALS THAT THERE IS NO WAY ENFORCEMENT ALONE CAN SOLVE THE DRUG TRAFFICKING PROBLEM REGARDLESS OF THE RESOURCES BROUGHT TO BEAR AGAINST THE DRUG TRAFFICKERS. A MASSIVE EDUCATION PROGRAM, COUPLED WITH OUR BEST ENFORCEMENT EFFORTS, IS THE ONLY POSSIBLE SOLUTION. AND YET WITH A FEDERAL EDUCATION BUDGET OF $18 BILLION, WE SPEND ONLY $3 MILLION ON DRUG EDUCATION PROGRAMS, AND FACE THE PROSPECT OF FURTHER BUDGET REDUCTIONS IN BOTH LAW ENFORCEMENT AND EDUCATION.

I HOPE THAT TODAY'S PANELISTS CAN HELP PROVIDE US WITH SOME RECOMMENDATIONS AS TO HOW WE CAN BEST COMBAT THE DRUG TRAFFICKERS WHO ARE CAUSING SO MUCH MISERY FOR OUR CITIZENS AND WHO ARE UNDERMINING OUR INSTITUTIONS. WE ARE RUNNING OUT OF TIME. WE ARE LOOSING THE WAR ON DRUGS AND WE NEED TO DEVELOP URGENTLY A COMPREHENSIVE, COORDINATED DRUG STRATEGY TO COMBAT THIS DEADLY DRUG MENACE.

I LOOK FORWARD TO YOUR TESTIMONY AND SUGGESTIONS.

THANK YOU, MR. CHAIRMAN.

STATEMENT OF CONGRESSMAN DANTE B. FASCELL TO
THE HOUSE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL
MIAMI, FLORIDA
MAY 16, 1986

Mr. Chairman and fellow members of the House Select Committee on Narcotics Abuse and Control, I want to thank you for coming to Miami to continue the discussion on the nation's drug problems. You are to be commended, Mr. Chairman, for your diligence in bringing the consequences of the nation's drug plague to the public's eye. Special thanks go to my distinguished Florida colleague, Claude Pepper, for his efforts in requesting this hearing.

The Committee will hear testimony today from Florida's esteemed Governor Bob Graham on the impact of drug trafficking on the State of Florida and the nation. As the former chairman of the Southern Governor's Association, and as the current chairman of the National Governors Association Committee on Criminal Justice and Public Protection, Governor Graham has devoted much of his time and attention to improving federal drug interdiction efforts. I also understand that State's Attorney Janet Reno will be in attendance today. Ms. Reno has done an outstanding job for the people of South Florida in prosecuting drug related cases and my sincere thanks go to her for her contributions in this struggle.

"Miami Vice" has done a lot to show the rest of America the beauty and high quality of life which South Florida has to offer. But it has also shown a seamier side of life that has become an epidemic, not only in Miami, but throughout the rest of the country. If only we had the successes against drug traffickers in real life that we see on episodes of "Miami Vice". But, as we've found out time and time again, it's not that easy.

As the war against illegal narcotics drags on, we are consistently finding that the drug problem is one which requires a multi-faceted approach. The war must be fought in drug producing countries, at our borders and in our streets, and at the individual level. Each aspect is important if we are to stop people from getting drugs and using them. We must concentrate our financial resources and manpower accordingly.

As the Chairman of the House Foreign Affairs Committee, I have sought to focus more attention and funding on the international and national security aspects of narcotics production and drug smuggling. I am very pleased that in the past year, Congress has enacted strong anti-narcotics provisions as part of the foreign aid bill and the Department of State authorization bill. Many of these provisions were originally included in a comprehensive narcotics control package which I introduced with Florida Senator Lawton Chiles early in 1985.

In the foreign aid authorization bill, the first one to be signed into law since 1981, we provided $55 million to fight international narcotics trafficking. The bill also proposes economic sanctions against Bolivia and Peru, both major cocaine producing countries, unless they improve their anti-narcotics efforts.

We have instructed the State Department to study the feasibility of establishing a Latin American regional narcotics control organization. We repealed the Mansfield amendment which prohibited U.S. narcotics agents from being present at drug arrests overseas. Information sharing between the U.S. Drug Enforcement Administration (DEA) and the Department of State will now be required so as to prevent U.S. embassies from issuing U.S. visas to known drug traffickers. Finally, we have asked the President to negotiate updated treaties on extradition and bank confidentiality where narcotics are involved, so that justice might be served and ill-gotten profits reclaimed.

Due largely to the efforts of my distinguished Florida colleague, Larry Smith, who serves with me on both the Foreign Affairs Committee and this Committee, the House of Representatives is also taking the lead in the area of narco-terrorism. A narco-terrorist is defined as one who kills or kidnaps a U.S. official or contract employee who is involved in drug enforcement activities. The comprehensive Anti-Terrorism bill which was approved by the House on March 18th establishes a new, $5 million Information Rewards Fund, under the discretion of the Secretary of State, for information leading to the arrest or conviction of those involved in narco-terrorist acts or major drug traffickers. In addition, a Ten Most Wanted list will be developed for terrorists and narco-terrorists. While rewards will normally be limited to $500,000, information leading to the arrest or conviction of an individual on the Most Wanted List will result in an award of up to $1 million. The Committee also authorized $125 million for the Coast Guard to enhance its drug interdiction capabilities.

Larry Smith also heads the Task Force on International Narcotics

Control of the Foreign Affairs Committee. Under his leadership, the Task Force has held hearings on drug trafficking involvement by the governments of Cuba, Bulgaria, and Nicaragua, as well as a number of hearings on Latin American narcotics control efforts. I commend Congressman Smith for his efforts and I personally appreciate the outstanding job he has done in this area.

I have now outlined many of the actions which Congress has taken of late to stem the onslaught on illegal narcotics. I am, however, distressed by the Administration's sluggish implementation of these measures. In fact, I wonder whether the Administration is paying any attention at all to the foreign aid and State Department authorization legislation. For example, the Department of State has yet to submit its report on the feasibility of establishing a regional narcotics control organization in Latin America. Nor have the Department of State and DEA formulated any uniform guidelines to facilitate information sharing in order to prevent drug traffickers from receiving U.S. visas. In addition, the recently released report of the President's Commission on Organized Crime now recommends the repeal of the Mansfield Amendment and information sharing between the Department of State and DEA. As I have stated, Congress took both actions last summer and the President signed these bills into law.

The Commission report also notes with alarm the lackadaisical attitude of the recently established high level Drug Enforcement Policy Board, chaired by Attorney General Edwin Meese. The Board represents a unique opportunity to enhance cooperation between all of the agencies involved in the drug war and to formulate a comprehensive drug enforcement strategy. However, the Vice President, who has headed the thirteen Organized Crime Task

Forces, including the one in South Florida, is not even a member of the Policy Board. The Board must take its mandate seriously and be more active in formulating the nation's drug enforcement policy. Otherwise, interagency management problems and duplication of effort will continue.

All of this information indicates that to me that the Administration's right hand does not know what the left hand is doing. In fact, the Administration's inaction on implementing drug enforcement laws and the confusion between agencies has led me to believe that drug enforcement and interdiction are not as high a priority as they should be.

My suspicion was confirmed by the President's proposed budget for Fiscal Year 1987. In January, President Reagan was quoted as saying, "These twin evils, narcotics trafficking and terrorism, represent the most insidious and dangerous threats to the hemisphere today." Nevertheless, the President's proposes FY 1987 budget slashes drug interdiction funding in favor of placing a higher priority on U.S. intelligence and investigative efforts.

On February 6th, Deputy Secretary of Treasury Richard Darman testified before the Subcommittee on Government Information, Agriculture and Justice of the House Government Operations Committee on the Customs Services's FY 1987 budget request. When questioned by the Subcommittee Chairman about the proposed deep reductions in manpower and equipment for the Air Interdiction Program, Mr. Darman applied a strict cost-benefit approach to the problem. He responded that no one really knows the appropriate relationship of the investment in equipment and manpower to the optimal strategy for interdicting narcotics at the borders and reducing drug abuse. The Subcommittee Chairman agreed that we may not know what the optimal amount of funding

is for this purpose is but we do know what the minimum amount is -- that which has been requested by the President in FY 1987.

The Congress appropriated $75 million for the Customs Service Air Interdiction program in FY 1986. This money was to be used for an overall surveillance plan which would include a prototype aerostat radar balloon to be placed south of Tucson, Arizona and six P-3 aircraft equipped with F-15 radar, communications intercept equipment, and an electro-observation device. Three additional aerostats are planned but have not yet been appropriated. Under the first round of Gramm-Rudman cuts, the air interdiction budget was reduced to $71.8 million. The President's FY 1987 budget proposes a further 30 percent rescission in FY 1986 funds for a total of $52.5 million. The Administration recommends only $54.7 million the program in FY 1987. These proposed reductions would result in the loss of the four planned aerostats. The four planned P-3 radar aircraft will be operational but will fly without the planned enhanced surveillance equipment, if there is money for flight crews.

Congress fought the Administration on Coast Guard funding through most of 1985 for a final FY 1986 appropriation of $2.3 billion. We had to fund the Coast Guard partially through the Department of Defense because the Administration did not place a high enough priority on Coast Guard manpower and drug interdiction activities to provide the funds under the normal transportation function. The Continuing Resolution for FY 1986 provided $375 million in Department of Defense funds, to be transferred to the Coast Guard. Some of this amount will be used in a new Coastal Defense Augmentation Fund which will maintain interdiction activities. The balance of the fund will be provided through the Coast Guard.

However, in FY 1986, the Coast Guard Operating Expenses account was short by $66 million. Gramm-Rudman further reduced Coast Guard funds by $76 million for a total FY 1986 reduction of $142 billion. Coast Guard operations in Miami have been slowed down for months as a result. On top of these reductions, the President requested only $77 million for the Acquisition and Construction (A&C) account in FY 1987 and proposes to shift FY 1986 A&C funds to FY 1987. Reductions in the Acquisition and Construction account would prevent the Coast Guard from bringing new equipment into service to augment the agency's drug interdiction mission.

And yet, Coast Guard and Customs Service efforts have shown again and again that interdiction is a crucial element in the fight against drug smuggling. Last July, the Navy flew three nights of unannounced coverage over the Arizona - Mexico border in E-2-C's, the Navy's version of the AWAC, to count the number of unidentified planes crossing the border. The flights were made from midnight to 4 a.m. In that twelve hour period, the Navy counted 12 aircraft, all presumed to be drug smugglers. Eight of the unidentified aircraft crossed the border and four landed in Mexico. The aerostat which was appropriated by Congress in FY 1986 and would be cancelled by the President's FY 1987 budget would sit right in the middle of the Arizona - Mexico border corridor.

I strongly agree with Florida Governor Bob Graham's assessment of drug smuggling as a threat to our national security. Florida has 1200 miles of coastline which is vulnerable to the low-flying planes preferred by drug traffickers. More than seventy percent of the illegal narcotics that enter this country come through Florida. I certainly believe that this constitutes

a national security risk. The drug problem in Florida is an accident of geography. But the illegal narcotics that are entering this country through Florida are ending up in cities and schools across the country.

Where, then, is the Department of Defense in the battle against drug traffickers? I am increasingly troubled by the Department's efforts, which are reluctant and plodding at best, to get involved in the fight against drugs. Hundreds of unidentified planes, and how many more undetected ones, are bringing tons of illegal contraband into this country. Much of their cargo is illegal narcotics. But it is safe to assume that terrorists, arms smugglers and others bent on the destruction of American lives and property would have the same ease of access to our borders. If the thought of these activities is not enough to jolt the Department of Defense into performing its necessary interdiction duties, I do not know what is.

The Administration's FY 1987 budget proposes increases in the intelligence and investigative capabilities of the Drug Enforcement Administration and other U.S. law enforcement agencies. Certainly these missions are crucial to stemming drug abuse in this country. I must say, however, that I see no wisdom or benefit in placing all of our anti-drug eggs largely into this one basket. We will be playing a poor game of catch up if we place the highest priority on finding illegal drugs once they are already on the streets and in our children's schools.

I have covered the need to halt production at the source, to prevent drugs from crossing our borders and to track them down once they have reached the streets. Unfortunately, the most difficult battle in the war on drugs may be teaching individuals to say no to drug usage. The allure of

illegal drugs, from the physical sensations to the easy money to be had from their sale, is a very difficult thing to counter. Many users are convinced that casual use not only won't do them harm but is glamorous. Others just don't have the strength to resist peer pressure and will become addicted. In March, two of the country's most respected weekly news magazines, NEWSWEEK and TIME, featured cover stories on the effects of drug usage on the job and on ever younger users. One of the articles asserted that many users take drugs not for the rush it gives them but to escape the tedium of their lives. If this is true, it is a very sad commentary.

Increasingly, drug usage on and off the job is costing American businesses millions of dollars in lost work hours and shoddy workmanship. In many occupations, the use of drugs presents a very real threat to the safety of the general public. There is a growing sentiment toward drug testing in both the private and public sectors in order to determine who is using drugs. Obviously there are civil liberties questions which arise in the drug testing discussion. An incorrect test could ruin a person's career. A correct test may also take away a drug abuser's livelihood but will not likely change his ways or, in more serious cases, cure him of his drug habit.

For these reasons, I believe that it would be wiser for us to concentrate more of our efforts and our resources on the demand side of the drug problem through rehabilitation and public education. The public good would be served by focusing on the rehabilitation of those who cannot stop abusing drugs on their own. Over the long term, the social and legal costs to society of helping a drug abuser break the habit will be far less than the crime that may accompany that individual's continued search for drugs.

If we can also eliminate the glamorous image of the drug culture through education and stop people from taking drugs that first time, much of the battle will have been won. Here in Dade County, Florida, March 13th was "Red Ribbon Day," the kick-off of an anti-drug education campaign to encourage students to "just say no to drugs" and to call attention to what has become a narcotics epidemic in our community. The campaign was organized by the Dade County Red Ribbon Council, a coalition of 44 businesses and community agencies which was formed in 1985. Community involvement, such as the red ribbon campaign, is essential to public education efforts.

Whether we take drugs or not, the consequences of the drug plague affect each and every one of us. We must demand that the Administration and Congress provide adequate and consistent funding for drug interdiction, intelligence and investigations, rehabilitation and public education. But the rest must come from individual will. Without attending to each of these factors, our nation will continue to sink under an ocean of illegal drugs.

GOVERNOR GRAHAM'S TESTIMONY BEFORE CONGRESSMAN RANGEL'S COMMITTEE

(THE HOUSE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL)

FRIDAY MAY 16, 1986 MIAMI

It is time to stop talking about our "drug problem" and face facts. We are at war.

Our borders are being violated everyday by enemy ships and planes.

A destructive weapon is being smuggled in by the tons -- a weapon which kills, which incites our citizens to violent crime, which unravels the fabric of our entire society.

We are under attack by both sophisticated networks and ragtag renegades of a guerrilla force which has complete contempt for our values and our laws.

We are at war with drugs in Florida and across the nation -- and we are now challenged to declare that war -- to marshall our military and law enforcment and educational resources to fight it -- to end the tyranny of the drug dealers.

Because this is a war we can win.

Drug smuggling into Florida is not a local problem with a local solution. It is a national crisis.

The security of our country is threatened. We cannot talk about national defense without talking about defending our own borders. And our borders are wide open. The President himself has acknowledged that.

The first step to securing the borders has to be a change in attitude.

A nation which can successfully track and force down an Egyptian airliner and bring terrorists to justice ought to be able to intercept a single-engine Cessna carrying drugs which lands and offloads its cargo in the Florida Keys.

Today an undetected Cessna brings in a cargo of drugs.

Tomorrow an undetected plane could bring terrorists -- and bombs.

In 1982, Vice President Bush declared war on drugs in South Florida and announced the formation of the Vice President's South Florida Task Force on Drugs.

Three years later Drug Enforcement Agency statistics indicate that 70% to 80% of all illegal narcotics annually smuggled into the United States enter through Florida.

80% of the cocaine seized each year in this country is seized in Florida -- and the amount of cocaine seized doubles every year.

Seizures account for only a fraction of the drugs smuggled across our borders.

And drugs are only a fraction of what is coming in. What is coming in right along with those drugs is crime: drug habits and the burglaries and armed robberies to support them -- the establishment of a sinister underworld of dealers and distributors in which homicide and brutality are common currency -- the seduction and contamination of our law enforcement personnel by fabulous sums of money -- the proliferation of explosive cocaine laboratories in residential

neighborhoods -- a new barter system in which drugs replace money as payment for stolen goods -- overcrowded jails in which more than half the criminals have committed a drug-related offense -- broken dreams -- and ruined lives.

This is a war in which we are already engaged -- in our homes -- in our communities.

The blue-ribbon commission we appointed -- The Governor's Commission on Drug and Alcohal Concerns -- estimates that over a quarter of a million people in our State use cocaine on a daily basis. The Commission further estimates that the economic cost of substance abuse in Florida alone is $2.5 billion dollars a year -- in productivity lost -- in medical expenses -- in law enforcement costs.

In 1980 we looked with alarm at rising crime statistics in Florida and we set out to reverse that trend. We increased funding for state and local law enforcement. We enacted tough new sentencing and expanded our State Attorneys' offices and created ambitious community crime watch and crime prevention citizens groups.

For the next three years crime decreased in Florida.

But drugs kept pouring across our borders. And last year the sheer volume of that deadly industry began to overwhelm our efforts to make Florida a safe place to live.

Our crime statistics inched up.

This year we logged a double digit increase in crime statistics -- drug arrests, armed robberies, home invasions and burglaries by people desperate for drugs or the money to buy drugs.

64% of the homicides in Florida are drug or alcohal-related.

Local law enforcement officials around the state concede that 50 to 70 % of the street crime they experience in their districts is directly attributable to the influence of illegal drugs.

In Orange County -- the city of Orlando and surrounding communities -- a survey of jail inmates arrested for armed robbery, burglary or grand larceny showed that over two-thirds admitted to habitual use of cocaine or marijuana -- at least three or four times a week.

36% of the inmates admitted using cocaine within two days prior to commission of crimes.

The average cocaine habit for those users cost from $200 up to $1,600 a week and they financed their habits by "stealing or dealing."

Many of the inmates questioned voluntarily blamed their criminal activity on their drug habits.

Here in Dade County, drug dealers have to invest in heavy security for their houses because break-ins to steal drugs have increased dramatically. And those who don't find drugs to steal still manage to feed their drug habits by burglaries and armed robberies.

Local law enforcement investigations have turned up a new barter system. The cash middleman has been eliminated in fencing

operations. Now thieves trade their stolen goods directly for a payment in drugs.

In Jacksonville, law enforcement officials are investigating an even more corrupt barter arrangement. Cocaine is being traded for automatic weapons. The Sheriff's Department says there is a "substantial increase" in drug bartering.

The same criminals who poison our society with illegal drugs are concurrently trafficking in illegal weapons smuggling -- contributing to instability and murder in other societies.

Municipalities and states do not have the resources to provide national security. Floridians do not have the means nor the Constitutional mandate to seal our borders.

But Floridians and citizens all over the country -- everywhere drugs are distributed -- are paying dearly for that lapse in security.

Here in Florida we have seen the problem first and suffered with it in all its complexity. We've learned the hard lessons about what we need to do to win this war against drugs.

We know we can win.

Experience has taught us that victory in the drug war will require a strategy of enlightened collaboration.

And Florida has a responsibility to demand appropriate protective measures from the federal government to help us win the war against drugs.

We have minimum mandatory sentencing for drug offenders in Florida. Currently, 1,510 drug offenders are serving a minimum mandatory sentence in Florida's State prisons. That number represents over 5% of our prison population.

That kind of tough sentencing sends a clear message to drug dealers about Florida's intent.

We need minimum mandatory sentencing for federal drug offenders -- but that is only a first step.

Effective deterrents depend on an efficient court system. The enormous backlog of cases in the Southern District of Florida is an abdication of federal responsibility to prosecute and punish drug offenders expeditiously.

We need more federal judges to hear these cases. The critical shortage of judges and the absence of a sense of urgency about appointing new judges is irresponsible.

The federal government needs to be more sensitive to local and state law enforcement efforts to stem the tide of drugs pouring into this country. The kinds of investigations, the commitment of time and equipment and specially-trained personnel are expensive.

We feel that when a state investigation results in the recovery of significant tax assets to the Internal Revenue Service -- the state should get a percentage of that recovered revenue to defray expenses and enable more effort to be put into state and local drug investigations.

The more successful investigations funded -- the many more millions recovered for the Federal treasury.

Our final suggestions for stepping up the war on drugs concern our national security. We have long advocated use of the military to enhance the federal drug interdiction effort.

Any breach of our borders is a threat to our sovereignty and it is the province of the military to secure our borders from such incursion.

We are not talking about huge expenditures of money. We are talking about utilization of existing programs and resources.

We are talking about coordination among the 37 or more agencies involved in the anti-drug effort and the inclusion of military detection capabilities in a comprehensive plan.

We need coordination and clear commitment in the war on drugs.

There can be no move to cut funds where they are most critical.

The proposal to slash the air program of the Customs service would send a dangerous signal to drug traffickers that we are not serious in our war to stem the relentless flow of drugs into our country.

The Customs air interdiction program needs more support -- not less. We are barely stopping 10% of what gets through now -- according to Customs' own estimate.

And we must recognize that the Coast Guard functions as an integral part of our national security. Therefore, to regard it as a domestic program, rather than a key element of our defense -- ignores its mission to patrol our coasts, identifying and interdicting unauthorized vessels and planes which try to cross our borders.

We need to assign these agencies and these functions the importance they deserve and supply them with support -- military intelligence and radar -- money for necessary equipment and enough trained people to do the job.

We in Florida feel it makes good sense to specially fund those multi-mission Coast Guard programs which result in securing our borders.

We are heartened by two recent developments which represent a step forward in the effort to marshall military resources against drugs.

We have been concerned that Congressman English's bill to create a special detection air wing and support radar -- a bill which passed last summer -- has not yet been implemented by the Department of Defense.

But it appears now that a workable compromise in that implementation has been agreed upon and that a squadron of C-130's and 7 aerostat balloons may soon be in operation -- providing additional surveillance of our borders.

And the proposal to utilize our National Guard in comprehensive detection and tracking teams is one we have consistently supported. The use of National Guard personnel, fixed wing aircraft with "look-down" radar mounts and BlackHawk

helicopters to spot and follow planes entering our airspace under the conventional radar coverage is a sensible plan and long overdue.

By giving chase to drug smugglers and by working with State and local law enforcement agencies to arrest those smugglers, we will make it tougher to violate our borders and to bring in contraband.

Military involvement in the effort to secure our borders is an issue that deserves more than discussion.

Mr. Chairman, I urge you to ask Secretary of Defense, Caspar Weinberger, to immediately prepare a plan detailing what would be required to use the military resources of the United States of America to secure our national borders.

We need an evaluation of the cost of defending our sovereignty to submit to Congress. Congress can then make a determination of whether or not the defense of our national sovereignty is worth the cost.

Finally we must look at supply and demand and the increase in drug consumption which robs our children of their futures and our nation of the productivity of its people.

We have work to do at home, too. Education and drug use prevention are inescapable components of any effort to halt the demand for drugs and the terrible effects drugs have on our society.

We have been taking a hard look at the alternatives for drug education and prevention here in Florida and the Governor's Commission On Drug And Alcohal Concerns has established and evaluated programs in every community in the State. We intend to break the habits our porous borders supply. I would like to enter this report, documenting Florida's efforts to fight drug abuse and addiction, into the record.

We cannot continue to pay the price for drugs. We cannot ask our citizens to live in fear -- to restrict their activities and to barricade themselves in their homes and to accept an unacceptable quality of life.

We cannot ignore the challenges of a growing State because of a preoccupation with the problems of illegal drugs.

We have everything good to protect in Florida -- and that protection has to start with our borders.

Florida is at war against drugs.

It is a war we cannot afford to lose.

But if we join forces with the Federal Government -- if we fight with courage and intelligence -- it is a war we cannot help but win.

PRESENTATION TO THE

HOUSE OF REPRESENTATIVES

SELECT COMMITTEE ON

NARCOTICS ABUSE AND CONTROL

Charles B. Rangel, Chairman

Testimony by: Robert R. Dempsey, Commissioner
Florida Department of Law Enforcement
May 16, 1986

Mr. Chairman, I appreciate the invitation to participate in your examination of the problem of illicit trafficking of drugs in the South Florida area. The invitation requests that verbal testimony be limited to five minutes. I have presented testimony regarding this subject several times in the recent past, including in February of this year. Many of my thoughts and concerns are currently "part of the record" and accordingly, I shall also be brief in the following written comments.

The drug problem in Florida has been well described and is well known. I have long viewed the problem as one in which the Federal Government has a direct and obligatory responsiblity. I say this inasmuch as Florida's problem is so clearly related to a national demand for drugs and to its strategic location as a major drug import point into the U.S.. Acknowledging that demand reduction programs are the critical but long-range answer, my comments today relate to attacking the supply and distribution networks.

We at the state and local levels have long known that this attack requires more than we alone can muster. The intensely alluring profit and the national/international movement defies our capabilities. Without a strong and constant federal involvement, we have no hope of overcoming the availability of illegal drugs.

In 1982, Vice-President George Bush declared war on drugs in South Florida, announcing the formation of the Vice-President's South Florida Task Force on Drugs. Since then, the Federal Government has taken other anti-drug initiatives, increasing resources to Florida. One of those

was the Federal Organized Crime Drug Enforcement Task Force Program, directed to concentrate inter-agency federal resources in investigating and prosecuting major drug trafficking networks.

To strengthen drug interdiction efforts, the National Narcotic Border Interdiction System (NNBIS), designed to coordinate interdiction agencies, was created in mid-1983. Major interdiction agencies at the federal level, particularly U.S. Customs and the U.S. Coast Guard, in close conjunction with the Drug Enforcement Administration, have also increased concentration of their activities against drug smugglers impacting Florida. And international cooperation improved by several source countries, some of our nearby neighbors, has been vigorously pursued.

Have these initiatives had an impact? Yes, they have! The task force program has placed hundreds of federal personnel directly into the attack of illicit drug trafficking organizations. Hundreds of cases have been opened in the program nationwide and numerous indictments, arrests, and convictions have been realized. Under the leadership of Admiral Cueroni, the NNBIS has made great strides in coordinating several good multi-agency (federal, state and local) anti-drug exercises in and around South Florida. These programs are continuing. We have seen improvements in coordination of investigative and enforcement agencies and efforts. We have seen good interdiction results by Customs and the Coast Guard.

We have seen successes in international cooperation, which is clearly the greatest short-term solution, and which should continue as a top federal drug control priority. Undoubtedly, these and similar efforts have posed

additional and troublesome obstacles to major drug traffickers who would enter our state and nation.

But is this enough? No, it is not! In spite of these successes, we are still losing. Much remains to be done. Drugs continue to appear at an alarming rate. Fifty-eight percent of my agency's investigative manhours over the past year were directed toward drug cases. We know that a substantial proportion of our prison population is incarcerated for direct or indirect criminal activity involving illegal drugs. According to many Florida law enforcement officials, from 50 to 70 percent of street crimes (burglaries, robberies, larcenies, prostitution, etc.) in their communities somehow relates to illegal drugs. Some perceive this percentage relationship to be even higher.

Yes, in spite of these efforts the problem continues. Other states are feeling encroaching drug problems not unlike those which were earlier experienced and which predicated the current overwhelming problems in Florida. Eighty percent of cocaine seized in this country is seized in Florida. Seizures have drastically increased over the past few years, but so have the amounts of estimated drugs which enter across our borders undetected.

In short, directly and indirectly related drug offenses are escalating faster than any de-escalating impact resulting from the anti-drug efforts. Certainly these impacts have been important and certainly the problems may have been even more severe without them. Certainly many drug operatives and numerous drug shipments have been taken off of the streets that

would have remained in these distribution networks, had these increased efforts not interceded.

But the problem overwhelms these increased eradication, investigation/enforcement, interdiction and prosecution efforts. I must repeat my strong conviction that a greater commitment of this nation to resolve this problem must be made. WE ARE AT WAR! We are losing thousands of lives annually to illegal drugs. This hostile invasion of every segment of our society, must be reacted to with resources above and beyond those currently allocated.

The most promising initiative on the supply side, short of eradication at source, is an increase in interdiction of drugs en route to, and crossing, our borders. The Coast Guard and Customs Service have been impressively active, and some military assistance has been evident; but much more is needed. More drugs have hit our shores and streets than ever before. I remain frustrated when I regularly see drug-laden vessels and aircraft infiltrating our state undetected. I am frustrated when I perceive the restricted employment at best, and in actuality a reluctance, on the part of increased military detection capability in this war. Recently, I read about the reluctance of our Air Force to make a serious commitment to the drug fight. Allegedly its concern was for maintaining a state of readiness to respond to military action, or in short, a war. Gentlemen, I must repeat, we are at war! Military assistance is needed and is necessary. Appropriate funding commitments to the major interdiction agencies cannot be diluted. More multi-agency operations like "Blue Lightning" must be engaged. More commitment of military support to interdiction efforts and to protection

of our shores must be made available.

We are not asking the military to make arrests or searches and seizures. We are not asking them to neglect their obligations to national defense. We are asking that their resources assist by greater coordination and support, particularly with interdiction agencies, in the detection process.

Once drugs are in our country, the resources required to deal with the street crime and other human deprivation far exceed the budget required for pre-border eradication and interdiction efforts. An increase in interdiction agencies' and military involvement at this level, I believe, will represent an avoidance of many more dollars which will be spent once the drugs are on our streets. The law enforcement and numerous social service resources which are responsible for many important areas, but which are now disproportionately directed to the area of drug and drug-caused problems, can then be redirected to address other critical problems facing our citizenry.

Without the federal initiatives, problems imposed upon our society by drugs would be worse, but we need more bilateral and multilateral drug operations. We need greater efforts to halt airborne and seaborne incursions. We need more consistent, ongoing and earlier radar detection of these crafts. And we need to raise, not lessen, the risk of supplying illegal drugs to this country. I appreciate the opportunity to participate in this discussion today, and now avail myself to any questions.

ADDRESS

BY

CLARENCE DICKSON
CHIEF OF POLICE
CITY OF MIAMI

BEFORE THE
U.S. HOUSE OF REPRESENTATIVES
SELECT COMMITTEE
ON

NARCOTICS ABUSE AND CONTROL

MIAMI, FLORIDA
MAY 16, 1986

GOOD MORNING

FOR THE RECORD, I AM CLARENCE DICKSON, CHIEF OF POLICE FOR THE CITY OF MIAMI.

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, HONORED GUESTS, LADIES AND GENTLEMEN:

I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO DISCUSS A PROBLEM WHICH CONTINUES TO CORRUPT THE VERY FIBRE OF OUR SOCIETY AND POSES SERIOUS IMPLICATIONS FOR THE FUTURE OF THIS COUNTRY - THE PROBLEM OF NARCOTICS ABUSE AND CONTROL.

THE CITY OF MIAMI IS AN IMPORTANT TOURIST MECCA AS WELL AS A MAJOR CENTER FOR INTERNATIONAL TRADE, COMMERCE, AND BANKING. THIS CITY ENCOMPASSES APPROXIMATELY 34 SQUARE MILES OF LAND AND 19.2 SQUARE MILES OF WATER. THE DOWNTOWN AREA OF THE CITY IS EXPERIENCING A SIGNIFICANT REVITALIZATION WITH MILLIONS OF DOLLARS BEING EXPENDED IN THE CONSTRUCTION OF SHOPPING MALLS, INTERNATIONAL HOTELS, AND HIGH RISE OFFICE BUILDINGS WHICH PROVIDE PUBLIC EMPLOYMENT AND BUSINESS OPPORTUNITIES. MIAMI IS A TRILINGUAL AND TRI-ETHNIC COMMUNITY WITH A POPULATION OF 400,000.

SOUTH FLORIDA, BY VIRTUE OF ITS GEOGRAPHIC LOCATION, HAS BECOME THE PORT OF PREFERENCE FOR NUMEROUS ILLEGAL SMUGGLING AND IMPORTATION OPERATIONS. THERE ARE HUNDREDS OF MILES OF SHORELINE - MANY OF THESE QUITE REMOTE AND DESOLATE. AIRFIELDS ABOUND AS A RESULT OF THE OUTSTANDING METEOROLOGICAL CONDITIONS AND GEOGRAPHY WHICH FAVOR AVIATION. THESE AIRFIELDS RANGE FROM MAJOR AIRPORTS TO SMALLER PUBLIC AIRFIELDS, PRIVATE STRIPS AND UNDEVELOPED RURAL AREAS.

IN ADDITION TO THE NATURAL GEOGRAPHY OF SOUTH FLORIDA AND ITS IDEAL CONDITIONS, ITS GEOGRAPHIC PROXIMITY TO SOUTH AND CENTRAL AMERICA AND THE CARIBBEAN ALSO ENHANCE ITS STATUS AS THE FOREMOST PORT OF IMMIGRATION.

THE LARGE HISPANIC POPULATION OF THE AREA AND THE VERY SIGNIFICANT NUMBER OF TOURISTS FROM SOUTH AND CENTRAL AMERICA ALSO PROVIDE ANOTHER ENTICEMENT TO ILLEGAL TRAFFICKING. THE SOUTH AMERICAN NATIONALS INVOLVED IN THE IMPORTATION OF ILLEGAL DRUGS REALIZE THAT THEIR MERE PRESENCE WILL NOT BE CONSPICUOUS IN THIS AREA. THIS WOULD NOT BE THE CASE IF THEY WERE FORCED TO RELOCATE THEIR OPERATION TO MOST OTHER PARTS OF THE COUNTRY.

ALL OF THESE FORCES HAVE COMBINED TO PLACE A BURDEN UPON SOUTH FLORIDA THAT IS FAR BEYOND THE SCOPE, RESOURCES, OR JURISDICTION OF LOCAL ENFORCEMENT AGENCIES.

BECAUSE OF ITS LOCATION, MIAMI HAS EXPERIENCED MANY COMMERCIAL AND BANKING TIES WITH SOUTH AMERICA AND SERVES AS A MERCANTILE AND CULTURAL BRIDGE TO THE AMERICAS.

ALTHOUGH THE MEDIA HAS REPEATEDLY PORTRAYED MIAMI AS A COMMUNITY AFFLICTED BY CRIME AND LAW ENFORCEMENT PROBLEMS, IN REALITY IT IS NO DIFFERENT THAN ANY OTHER LARGE AND RAPIDLY GROWING URBAN COMMUNITY, WITH THE EXCEPTION THAT TWO NATIONAL PROBLEMS -- REFUGEES AND NARCOTICS TRAFFICKING -- ARE MORE PRONOUNCED HERE AND HAVE HAD A MORE NEGATIVE IMPACT.

MANY OF MIAMI'S PROBLEMS HAVE FURTHER BEEN AGGRAVATED BY CUBA'S RELEASE OF HARDENED CRIMINALS AND THE CRIMINALLY INSANE -- WITH MOST REMAINING IN THE GREATER MIAMI AREA. OTHER REFUGEES, AS THE HAITIANS, ARE SEEKING ASYLUM AND HAVE CONCENTRATED IN MIAMI.

THE BUREAU OF CENSUS HAS DOCUMENTED THAT MORE THAN 150,000 CUBAN AND HAITIAN REFUGEES HAVE ENTERED INTO THE UNITED STATES. OF THESE, APPROXIMATELY 100,000 HAVE SETTLED IN DADE COUNTY WITH AT LEAST 55,000 RESIDING WITHIN THE CITY OF MIAMI.

THE CRIMINAL JUSTICE SYSTEM AS WE KNOW IT IS STRUGGLING. IT IS OVER-BURDENED AND UNDER-RESOURCED AND HAS LOST MUCH OF ITS ABILITY TO INSURE A QUALITY OF LIFE WHICH, UNTIL RECENTLY, WE HAVE TAKEN FOR GRANTED.

GIVEN THE USUAL - THE INDIVIDUAL WHO IS ULTIMATELY FOUND GUILTY AND SENTENCED TO PRISON, THE TERM SERVED IS MOST FREQUENTLY DETERMINED BY SPACE AVAILABILITY AND OTHER CONSIDERATIONS RATHER THAN THE INTENTION OF THE JUDICIARY SYSTEM. MANY OF THESE OFFENDERS TOO OFTEN RETURN QUICKLY TO OUR STREETS TO RESUME THEIR ILLEGAL ACTIVITIES.

ALTHOUGH WE HAVE MADE SOME PROGRESS, IT IS STILL NECESSARY AND ESSENTIAL TO RESTORE, ONCE AGAIN, THE CREDIBILITY OF OUR CRIMINAL JUSTICE SYSTEM THROUGH THE PRINCIPLES OF CERTAINTY OF APPREHENSION, SWIFT AND FAIR TRIAL, AND THE ASSUREDNESS OF PUNISHMENT TO FIT THE CRIME.

NARCOTICS TRAFFICKING AND ABUSE

UNFORTUNATELY, THE VERY LOCATION OF THE CITY OF MIAMI, WHICH HAS CONTRIBUTED TO ITS GROWTH AND PROSPERITY, HAS ALSO AGGRAVATED THE PROBLEMS IT HAS FACED. BECAUSE OF THE CITY'S PROXIMITY TO THE CARIBBEAN AND SOUTH AMERICAN COUNTRIES, IT HAS BECOME A MAJOR PORT OF PREFERENCE FOR THE IMPORTATION OF DRUGS INTO THE UNITED STATES. IT IS ESTIMATED THAT 80 TO 90 PERCENT OF ALL MARIJUANA AND COCAINE ENTERING THIS COUNTRY COMES IN THROUGH SOUTHEAST FLORIDA. HOWEVER, THIS IS NOT JUST A PROBLEM IN SOUTH FLORIDA, SINCE THE DRUGS ENTERING HERE ARE DISTRIBUTED NATIONWIDE.

COCAINE CONTINUES TO BE MIAMI'S #1 NEMESIS. THE AVAILABILITY AND THE PURITY OF COCAINE HAS CONTINUED TO INCREASE, WHILE STREET LEVEL PRICES ARE ON THE DECREASE. A GRAM OF COCAINE WHICH SOLD IN THE PAST FOR $200.00 CAN NOW BE PURCHASED FOR $40.00 TO $60.00 ON STREET CORNERS. A KILO OF COCAINE WHICH HAS SOLD IN THE PAST FOR UP TO $70,000 IS NOW SELLING FOR THE AMAZINGLY LOW PRICE OF $23,000 TO $25,000 A KILO. WITH THE GROWING ACCEPTANCE OF MORE POTENT FORMS OF COCAINE SUCH AS "FREE-BASE" AND "CRACK" (A NEW FORM OF PURE POWDERED BASE), THE ABUSER IS RECEIVING A MUCH QUICKER AND INTENSE "HIGH". THESE FACTORS TEND TO INDICATE THAT COCAINE ABUSE WILL CONTINUE TO SKYROCKET IN THE FUTURE. USING THE NUMBER OF COCAINE ARRESTS MADE BY THE CITY OF MIAMI POLICE DEPARTMENT AS ANOTHER INDICATOR, COCAINE ARRESTS HAVE INCREASED IN THE PAST TEN YEARS BY 1,500%. IN 1975, ONLY 70 COCAINE RELATED ARRESTS WERE MADE IN THE CITY OF MIAMI, COMPARED TO THE 1,095 ARRESTS THAT WERE MADE IN 1984. IN 1985, 1/3RD OF THE

TOTAL DRUG ARRESTS MADE WERE FOR COCAINE-RELATED CHARGES. OUR SPECIAL INVESTIGATION SECTION RECENTLY PARTICIPATED IN THE SEIZURE OF 536 GALLONS OF ETHER AND/OR ACETONE WHICH WAS BEING USED OR STORED FOR THE PURPOSE OF PROCESSING COCAINE IN CLANDESTINE LABORATORIES. THESE HIGHLY VOLATILE AND DANGEROUS CHEMICALS, WHICH PRESENT A SERIOUS THREAT TO OUR COMMUNITY, ARE BEING DISCOVERED MORE FREQUENTLY. THE EMERGENCE OF THESE MORE SOPHISTICATED LABORATORIES HAS ALSO CAUSED A MARKED INCREASE IN THE QUALITY AND PURITY OF COCAINE FOUND ON THE STREETS.

IN 1985, THE MIAMI POLICE DEPARTMENT, THROUGH THE CITY'S LEGISLATIVE TASK FORCE, PROVIDED THE IMPETUS FOR CONTROL OF THESE POTENTIALLY DANGEROUS CHEMICALS. THESE BILLS HAVE BEEN INTRODUCED IN THE CURRENT SESSION OF THE STATE LEGISLATURE.

COCAINE SEIZURES BY OUR SPECIAL INVESTIGATION SECTION IN 1984, AMOUNTED TO APPROXIMATELY 49 LBS., AS COMPARED TO THE 915 LBS. SEIZED IN 1985. THIS AMOUNTS TO A 1,700% INCREASE WITHIN A YEAR. THE TOTAL STREET VALUE AMOUNTS TO MORE THAN 160 MILLION DOLLARS. IN ADDITION TO THE 915 POUNDS OF COCAINE SEIZED DURING 1985, THERE WERE 5,558 POUNDS OF MARIJUANA, 1 POUND OF HASHISH, 44 METHAQUALONE TABLETS, 38.5 GRAMS OF HEROIN, AND $94,200 IN U.S. CURRENCY.

THE TOTAL STREET VALUE OF THE NARCOTICS SEIZED AMOUNTS TO MORE THAN 164 MILLION DOLLARS. THESE INVESTIGATIONS HAVE RESULTED IN 109 ARRESTS WITH EIGHT VEHICLES, ONE SHIP, AND NUMEROUS FIREARMS CONFISCATED.

IN ONLY A SIX MONTH PERIOD LAST YEAR, OUR C.I.T.A.T. UNIT SEIZED CLOSE TO $2 MILLION DOLLARS IN STREET VALUE NARCOTICS. OVERALL, THE MIAMI POLICE DEPARTMENT, IN 1985, SEIZED 6,013 LBS. OF MARIJUANA, 1,194 GRAMS OF HEROIN, AND 1,117 LBS. OF COCAINE FOR A TOTAL APPROXIMATED STREET-LEVEL VALUE OF OVER $205 MILLION.

ADDITIONALLY, IT HAS BEEN ESTIMATED THAT 50 PERCENT OF THE MURDERS IN DADE COUNTY ARE DRUG RELATED. THE NATURE OF NARCOTICS RELATED HOMICIDES DO NOT LEND THEMSELVES TO EASY SOLUTION. WITNESSES WILL SELDOM COME FORWARD TO TESTIFY EVEN THOUGH THE WELL-BEING OF INNOCENT BYSTANDERS IS AFFECTED BY THESE VIOLENT CRIMES.

THE GREAT WEALTH AND POWER GAINED BY NARCOTICS TRAFFICKERS IS WELL KNOWN BY MANY POTENTIAL WITNESSES. IN MANY CASES, THE FEAR OF THE CRIMINAL ELEMENT FAR OUTWEIGHS THE DESIRE OF WITNESSES TO HELP LAW ENFORCEMENT AUTHORITIES WITH AN INVESTIGATION.

ALTHOUGH MARIJUANA RELATED ARRESTS HAVE TENDED TO LEVEL OFF WITHIN THE CITY OF MIAMI IN THE PAST THREE YEARS, THE TOTAL AMOUNT OF MARIJUANA SEIZED BY OUR SPECIAL INVESTIGATION SECTION IN 1985 HAS MORE THAN DOUBLED THE TOTAL AMOUNT OF MARIJUANA SEIZED IN 1984.

LAW ENFORCEMENT OFFICERS, AS A PART OF SOCIETY, ARE EVERY BIT AS EXPOSED TO THE TEMPTATION OF CORRUPTION, AS THE AVERAGE CITIZEN.

HOWEVER, DUE TO MIAMI'S GEOGRAPHIC LOCATION, AS IT PERTAINS TO THE IMPORTATION OF ILLEGAL NARCOTICS FROM SOUTH AMERICA AND THE MEDITERRANEAN BASIN, THIS TEMPTATION IS MULTIPLIED. THE POTENTIAL FOR THE STREET UNIFORM OFFICER BECOMING EXPOSED TO HUGE AMOUNTS OF ILLEGAL DRUGS IS NO DOUBT GREATER THAN AT ANY PLACE ELSE IN THE UNITED STATES, AND WITH THIS EXPOSURE, A COMMENSURATE POTENTIAL FOR PROFESSIONAL INDISCRETION. AN EXAMPLE OF THE NEGATIVE OUTCOME OF THIS EXPOSURE WAS THE RECENT ARRESTS OF POLICE OFFICERS INVOLVED IN THE THEFT OF HUNDREDS OF POUNDS OF COCAINE, ON TWO OCCASIONS, FROM SEPARATE VESSELS ON THE MIAMI RIVER. THESE VESSELS WERE OBVIOUSLY IN THE PROCESS OF SMUGGLING NARCOTICS INTO THE UNITED STATES.

AS LONG AS SOUTH FLORIDA REMAINS A FOCAL POINT FOR THE IMPORTATION OF ILLEGAL DRUGS, THE POSSIBILITY FOR FURTHER INDISCRETION ON THE PART OF LAW ENFORCEMENT OFFICERS WILL CONTINUE TO EXIST. TO COMBAT THIS SITUATION, THE CITY OF MIAMI POLICE DEPARTMENT HAS CREATED A "PRIDE" UNIT (PROFESSIONAL REVIEW & INVESTIGATIVE DETAIL) THAT IS RESPONSIBLE EXCLUSIVELY FOR THE FERRETING OUT OF ANY AND ALL CORRUPTION WITHIN THE DEPARTMENT.

UP TO THIS POINT AND TIME, THE COMMUNITY HAS BEEN EXTREMELY SUPPORTIVE OF THE MIAMI POLICE DEPARTMENT'S PROACTIVE RESPONSE TO THESE UNFORTUNATE CIRCUMSTANCES. THE DEPARTMENT FULLY INTENDS TO DIRECT EVERY RESOURCE NECESSARY TO THE ERADICATION OF THE PROBLEM.

SINCE APRIL OF 1985, THE MIAMI POLICE DEPARTMENT'S MARINE PATROL UNIT HAS BEEN AN ACTIVE PARTICIPANT IN THE INTERDICTION OF DRUGS TO THE MIAMI AREA, COOPERATING WITH STATE, FEDERAL AND LOCAL AGENCIES.

ON SEVERAL OCCASIONS DURING THIS PERIOD, OUR MARINE PATROL HAS WORKED DIRECTLY WITH THE U.S. CUSTOMS SERVICE, THE VICE PRESIDENT'S TASK FORCE, THE NATIONAL NARCOTICS BORDER INTERDICTION SYSTEM (N.N.B.I.S.) AND THE U.S. COAST GUARD, DURING THE "OPERATION BLUE LIGHTNING STRIKE FORCE." WE WERE SUCCESSFUL ON TWO OCCASIONS, DURING THESE OPERATIONS, IN SEIZING TWO VESSELS WHICH CONTAINED CONTRABAND TOTALING 770 LBS. OF COCAINE AND 432 LBS. OF MARIJUANA, RESULTING IN 80 MILLION DOLLARS WORTH OF NARCOTICS BEING KEPT OFF THE STREET.

COOPERATION BETWEEN THE MIAMI POLICE DEPARTMENT AND THE AGENCIES MENTIONED EARLIER HAS BEEN STEADILY IMPROVING. TECHNICAL COMMUNICATIONS, WHICH WAS A PROBLEM, IMPROVED GREATLY WITH THE INSTALLATION OF RADIOS WHICH ALLOW IMMEDIATE CONTACT BETWEEN THE VARIOUS AGENCIES.

IT IS EXPECTED THAT INTELLIGENCE INFORMATION AND RADAR TRACKING OF SUSPECT VESSELS WILL ALSO BE ENHANCED WITH THE FULL IMPLEMENTATION OF THE JOINT MARINE INTERDICTION COMMUNICATIONS CENTER (J.M.I.C.C.).

CURRENTLY, THE SPECIAL INVESTIGATION SECTION HAS 4 INVESTIGATORS ASSIGNED FULL-TIME TO THE FEDERAL TASK FORCE ON SPECIFIC INVESTIGATIONS. THE NARCOTICS DETAIL CONTINUOUSLY CONTACTS VARIOUS FEDERAL AGENCIES TO EITHER WORK ON JOINT INVESTIGATIONS OR TO EXCHANGE INFORMATION REGARDING HIGH LEVEL NARCOTICS TRAFFICKING IN THE MIAMI AREA. ON SEVERAL OCCASIONS, FEDERAL AGENCIES SUCH AS CUSTOMS AND ALCOHOL, TOBACCO AND FIREARMS (A.T.F.), HAVE PROVIDED PLANES AND BOATS FOR LOCAL INVESTIGATIONS.

PRESENTLY, THE NARCOTICS DETAIL IS ACTIVELY WORKING A CASE INVOLVING ASIAN HEROIN, WITH THE ASSISTANCE OF THE DRUG ENFORCEMENT ADMINISTRATION. THEIR COOPERATION HAS BEEN SUPERB.

HOWEVER, FRUSTRATION REMAINS REGARDING LAW ENFORCEMENT'S EFFORT IN COMBATING DRUG TRAFFICKING. A PRIMARY PROBLEM IS THE INSUFFICIENT BOND THAT MANY TRAFFICKERS OBTAIN. RECENTLY, THE NARCOTICS DETAIL ARRESTED TWO "CLASS I VIOLATORS" FOR TRAFFICKING IN PURE WHITE HEROIN. BOND WAS SET AT $500,000 BUT THE SUBJECTS WERE RELEASED ON BONDS REDUCED TO $50.000.

ANOTHER PROBLEM IS THE DEVIATION FROM THE MANDATORY TRAFFICKING LAW (STATE STATUTE 893.135). MOST DEFENDANTS ARE SERVING HALF OF THEIR MANDATORY SENTENCES BASED ON "GAIN TIME" FOR GOOD BEHAVIOR.

AVAILABILITY

MARIJUANA IS READILY AVAILABLE ON THE WHOLESALE MARKET IN LARGE QUANTITIES RANGING FROM 500 LBS. TO 1,000 LBS. AND UP TO 10,000 LBS. FOR TRUSTED COHORTS. A RECENT INVESTIGATION, CONDUCTED WITH F.D.L.E. AND CUSTOMS, REVEALED AN ORGANIZED CRIMINAL ENTERPRISE BRINGING IN 5,000 LBS. OF MARIJUANA NIGHTLY.

THE COLOMBIAN COMMERCIAL PRICES RANGE FROM $300 TO $350 PER POUND. SINSEMILLA (THE PUREST FORM OF MARIJUANA) RANGES FROM $600 TO $700 PER LB. WHICH CAN RETAIL IN NORTHERN COMMUNITIES FROM $1,000 TO $1,700 PER LB.

LARGE AMOUNTS OF COCAINE ARE AVAILABLE IN MANY FORMS AND DEGREES OF PURITY. PRESENTLY, THE PRICE FOR ONE KILO OF COCAINE OF 85% PURITY RANGES FROM $23,000 TO $25,000 PER KILO (WHOLESALE).

THE SOUTH AMERICAN COCAINE PRODUCT RANGES IN PURITY FROM 70 TO 90 PERCENT, WITH DOMESTIC COCAINE HAVING A LOWER PURITY, RANGING FROM 60 TO 70 PERCENT.

WHITE PAKISTANIAN HEROIN IS ALSO AVAILABLE, RANGING FROM 15 TO 30 PERCENT IN PURITY, WITH PRICES RANGING FROM $8,000 TO $10,000, PER OUNCE.

THE PRESIDENTIAL FEDERAL TASK FORCE IS DOING AN EXCELLENT JOB IN BOTH THEIR INTERDICTION EFFORTS AND THEIR COORDINATION WITH LOCAL LAW ENFORCEMENT AGENCIES.

OUR STRATEGIC INFORMATION SECTION REGULARLY OBTAINS INFORMATION ON SMUGGLING OPERATIONS FROM THE FEDERAL TASK FORCE. HOWEVER, OUR INFORMATION INDICATES THE POTENTIAL FOR A DRAMATIC INCREASE IN SMUGGLING. A CORRESPONDING INCREASE IN SEIZURES WILL RESULT IN THE FEDERAL TASK FORCE CONTINUING TO ASSUME A MAJOR ROLE.

THE FEDERAL TASK FORCE WAS ESTABLISHED NOT TO SUPERSEDE THE RESPONSIBILITIES OF STATE OR LOCAL LAW ENFORCEMENT, BUT RATHER TO COORDINATE FEDERAL EFFORTS WITH THOSE AUTHORITIES, IN ORDER THAT SAFER STREETS AND A HIGHER QUALITY OF LIFE COULD BE RESTORED TO SOUTH FLORIDA AND THE NATION.

THE MAJOR INITIAL OBJECTIVES OF THE TASK FORCE WERE TO SIGNIFICANTLY REDUCE THE INFLUX OF ILLEGAL DRUGS COMING INTO THE UNITED STATES THROUGH FLORIDA BY GREATLY INCREASING AIR, SEA AND LAND INTERDICTION EFFORTS AND TO ARREST AND CONVICT SMUGGLERS APPREHENDED DURING THESE ACTIVITIES. EFFORTS WERE ALSO AIMED AT STRENGTHENING IMMIGRATION ENFORCEMENT IN SOUTH FLORIDA. IT WAS ALSO ACKNOWLEDGED THAT PEOPLE IN THE BUSINESS OF SMUGGLING DRUGS ARE ALSO COMMONLY IN THE BUSINESS OF SMUGGLING WEAPONS OR ALIENS. GENERALLY, INTERDICTION EFFORTS IN ONE AREA, IMPACT ON ANOTHER.

ONE OF THE COMPONENTS OF THE TASK FORCE WAS THE DEVELOPMENT OF THE DEA-U.S. CUSTOMS JOINT TASK GROUP WITH THE GOAL OF IMPROVING THE ABILITY TO INTERDICT DRUG SMUGGLING. THEIR PRIMARY MISSION IS TO FUNCTION AS APPREHENSION TEAMS IN THE AIR-SEA SMUGGLING INTERDICTION ROLE. THEY ALSO PERFORM FOLLOW-UP INVESTIGATIONS.

THE U.S. COAST GUARD ALSO HAS CONTRIBUTED SIGNIFICANTLY TO THE GOALS OF THE SOUTH FLORIDA TASK FORCE. THEY HAVE INCREASED BOTH THE MARITIME AND AIR RESOURCES ASSIGNED TO THE TASK FORCE.

THE AMENDING OF THE POSSE COMITATUS ACT ALSO PERMITTED THE U.S. NAVY TO PROVIDE SUPPORT TO THE COAST GUARD. IT HAS LONG BEEN ACCEPTED THAT THIS COOPERATION WAS ESSENTIAL FOR ANY SIGNIFICANT UPGRADING OF OUR MARITIME DRUG INTERDICTION EFFORTS. THE NAVY'S ROLE WAS EXPANDED TO INCLUDE REPORTING OF SUSPECT-VESSELS, TOWING OF SEIZED VESSELS, ESCORTING, RE-SUPPLYING AND UTILIZING NAVY VESSELS IN A SHOW OF FORCE AND AS BOARDING PLATFORMS FOR COAST GUARD PERSONNEL.

WHEN THE EFFORTS OF THE TASK FORCE ARE VIEWED FROM A LOCAL PERSPECTIVE, IT IS IMPORTANT TO REALIZE THAT ITS SUCCESS IS NOT LIMITED TO THOSE OPERATIONS WHICH HAVE BEEN CONDUCTED IN THE LOCAL AREA. A SIGNIFICANT THRUST OF THE OBJECTIVES OF THE TASK FORCE IS TO ADDRESS PROBLEM AREAS WHICH ARE NOT WITHIN THE SCOPE OF THOSE AGENCIES.

ANY BUDGETING REDUCTION IN THE FEDERAL LAW ENFORCEMENT EFFORT AGAINST NARCOTICS TRAFFICKING WOULD HAVE A DEVASTATING EFFECT ON THE SOUTH FLORIDA AREA. THE LOCAL AGENCIES WHO ARE STRAPPED FOR FUNDS THEMSELVES COULD NOT MAKE UP FOR ANY SUCH VOID. WE HAVE READ THAT A POSSIBLE REDUCTION OF TASK FORCE RESOURCES WAS BEING CONSIDERED. SUCH ACTION IS INCOMPREHENSIBLE IN VIEW OF THE FACT THAT THE MAJORITY OF THE COCAINE AND MARIJUANA SMUGGLED INTO THE UNITED STATES ENTERS THROUGH THE STATE OF FLORIDA.

THE PROBLEMS ASSOCIATED WITH NARCOTIC ENFORCEMENT IN SOUTH FLORIDA HAVE BEEN INCREASING. MORE, NOT LESS, FEDERAL RESOURCES ARE DESPERATELY NEEDED TO COMBAT THIS MENACE AND THE VIOLENCE THAT IT HAS GENERATED.

RECOMMENDATIONS

IT IS SUGGESTED THAT THIS COMMITTEE CONSIDER THE FOLLOWING RECOMMENDATIONS:

- THE ENFORCEMENT OF REFUGEE RELOCATION GUIDELINES AS A CONDITION OF REMAINING IN THIS COUNTRY.

- INTENSIFY THE ERADICATION PROGRAM IN ALL EXISTING AND POTENTIAL SOURCES FOR MARIJUANA, COCAINE AND HEROIN. THERE IS A DIRECT RELATIONSHIP BETWEEN CROP CONTROL IN FOREIGN COUNTRIES AND THE AMOUNT OF NARCOTICS WHICH ENTERS THIS COUNTRY. IN ORDER TO IMPACT UPON OUR ABILITY TO REDUCE THE FLOW OF DRUGS FROM OTHER COUNTRIES, ECONOMIC AND DIPLOMATIC SANCTIONS SHOULD BE STRUCTURED AND IMPLEMENTED AGAINST THOSE GOVERNMENTS WHICH NOT ONLY PERMIT, BUT IN SOME SITUATIONS, ENCOURAGE THIS CONTINUED ILLICIT ACTIVITY.

- PROVIDE DIRECT MONETARY SUPPLEMENTS TO STATE AND LOCAL ENFORCEMENT AGENCIES WHO ARE BEARING MUCH OF THE BURDEN, WHICH, IN REALITY, IS A NATIONAL PROBLEM.

- IMPOSE INCREASED SANCTIONS FOR SENTENCING OF THOSE CONVICTED OF DRUG TRAFFICKING. MINIMAL FINES AND REDUCED SENTENCING ARE NO DETERRENT IN A BUSINESS REAPING LARGE PROFITS WITH LITTLE RISK.

- INCREASE INVESTIGATIVE AND PROSECUTORIAL EFFORTS IN FLORIDA. THIS WILL PROVIDE FEDERAL AGENCIES WITH THE CAPABILITY OF MAKING ENHANCED, SIGNIFICANT INROADS AGAINST DRUG TRAFFICKING, ILLEGAL ALIENS AND GUN SMUGGLING.

- INCREASE UTILIZATION OF ALL RESOURCES, INCLUDING MORE OF A MILITARY COMMITMENT, TO IDENTIFY PLANES AND VESSELS LEAVING CLANDESTINE PORTS; THEREBY INCREASING THE INTERDICTION EFFORT. WE WERE PLEASED TO LEARN OF THE PENTAGON'S PENDING MILITARY COMMITMENT TO DETECT LOW-FLYING SMUGGLERS FROM CENTRAL AMERICA AND MEXICO.

- ENSURE THAT HIGHER BONDS BE IMPOSED ON LARGE SCALE TRAFFICKERS WHO ARE ARRESTED. TOO MANY CRIMINALS HAVE FORFEITED THEIR BONDS IN ORDER TO AVOID PRISON SENTENCES.

- REQUEST THE FEDERAL GOVERNMENT DIRECT AND ASSIST STATE AND LOCAL AGENCIES IN SECURING THE BENEFITS EMANATING FROM THE UTILIZATION OF THE R.I.C.O. STATUTES. (AN ELABORATION OF THIS RECOMMENDATION IS ATTACHED AT THE END OF YOUR PACKAGE.)

THE COMBINED EFFORTS OF LAW ENFORCEMENT AGENCIES ALONE HAS NOT, IN THE PAST, AND WILL NOT IN THE FUTURE, GREATLY IMPACT UPON IMPORTATION OF ILLICIT DRUGS.

IF MUNICIPAL LAW ENFORCEMENT AGENCIES ARE GOING TO HAVE A SIGNIFICANT IMPACT ON LOCAL CRIME PROBLEMS, THEY MUST BE PROVIDED WITH ADEQUATE SUPPORT SERVICES.

%%%%%%%%%%%%%%%%%%%%%%%%%

WHEN ASSESSING THE ACTIVITIES OF THE SOUTH FLORIDA TASK FORCE, ONE MUST REALIZE THAT ALTHOUGH THE BATTLE MUST BE FOUGHT HERE, ITS OUTCOME HAS NATIONAL IMPORTANCE.

ALL OF THE COCAINE AND A MAJOR PORTION OF THE MARIJUANA USED BY U.S. CITIZENS, ORIGINATES FROM OTHER BORDERS. ALTHOUGH THE LARGEST AMOUNTS ENTER THROUGH SOUTH FLORIDA, IT REACHES ALL OF AMERICA - NOT JUST MIAMI.

AS I HAVE INDICATED EARLIER, GREAT INITIAL EFFORTS HAVE BEEN MADE. HOWEVER, THE MOST IMPORTANT POINT I CAN MAKE IN CLOSING IS TO EMPHASIZE THAT THE EFFORTS TO DATE ARE ONLY A BEGINNING. THE FEDERAL GOVERNMENT MUST FULLY ACCEPT ITS RESPONSIBILITY IN REDUCING THE SUPPLY OF NARCOTICS TO THESE SHORES.

WE AT THE LOCAL LEVEL STAND READY TO ASSIST!

THANK YOU.

APPENDIX I — City of Miami - Narcotics Related Arrest (84 vs. 85)

APPENDIX II — Miami Police Department - Seizures (1985)

APPENDIX III — Comparison of Narcotics - Arrest to Deaths (84 vs. 85)

APPENDIX IV — R.I.C.O. Statute

APPENDIX I

CITY OF MIAMI
NARCOTICS-RELATED ARRESTS
1984 vs 1985

UCR Code	Category	1984	1985	% CHANGE
18AS	Opium & Deriv.	-	8	*
18BS	Cocaine	107	277	+158.9
18CS	Marijuana	118	256	+116.9
18DS	Methadone	-	-	-
18ES	Other Synth.	-	4	*
18FS	Other Stimulants	-	1	*
18GS	Other Depressants	2	-	-100.0
18HS	Other Hallucinogens	-	-	-
18IS	Paraphernalia	-	-	-
18AP	Opium & Deriv.	11	56	+409.1
18BP	Cocaine	988	1,146	+16.0
18CP	Marijuana	1,665	1,443	-13.3
18DP	Methadone	1	1	No Change
18EP	Other Synth.	4	10	+150.0
18FP	Other Stimulants	7	6	-14.3
18GP	Other Depressants	22	12	-45.5
18HP	Other Hallucinogens	3	5	+66.7
18IP	Paraphernalia	135	196	+45.2
	TOTAL	3,063	3,421	+11.7

(*) Percent Change cannot be calculated - Base Year is Zero (0).

Source: F.D.L.E. P & R 03-14-86

APPENDIX II

The grand total of seizures by the Miami Police Department during 1985 is as follows:

	Weights	ESTIMATED VALUES Street ($'s)	Dealer ($'s)
Marijuana	6,013 lbs.	3,307,150	2,104,550
Heroin	1,194 grms.	84,000	23,880
Cocaine	1,117 lbs.	203,880,000	17,780,000
Quaaludes	306.3 grms.	1,530	199

SOURCE: RCD 5-1-1-1-8 Report P & R 3-14-86

APPENDIX III

COMPARISON OF ARREST TO DEATHS
1984 vs 1985

	1984	1985	% CHANGE
*Cocaine Arrest	1,095	1,423	+ 30.0
Cocaine Deaths	25	23	- 8.0
*Opium & Deriv. Arrest	11	64	+481.8
Opium Deriv. Deaths	8	3	- 62.5

*Includes Arrest for Possession and Sale/Manufacture.

SOURCE: Medical Examiner

P & R 3-14-86

APPENDIX IV

R.I.C.O.: THE BEST KEPT SECRET OF STATE LAW.
FLORIDA STATUTE, CHAPTER 895

Florida has an excellent racketeering Statute, as do many other States, but few use it except for Statewide Grand Jury indictments, prosecuted by the State Attorney General's Department of Legal Affairs.

We recognize that the drug war must be fought on the supply side as well as the demand side.

While we are seeing progress on the demand size -- through public education -- progress on the supply side, at State, County and municipal levels of enforcement, is lacking.

Forfeiture of real property and investments from illegal acts is nearly non-existent at the State, County and municipal levels of enforcement, while R.I.C.O. forfeiture is used extensively at the Federal level.

Federal technical assistance, and prodding of State prosecutors and Law Enforcement agencies to structure and use R.I.C.O., would be extremely helpfu .

Benefits of R.I.C.O. use are:

1. Operations would be self sustaining.

2. The deterrent effect - Forfeiture of drugs and drug related money and property removes the incentive to engage in drugs and other illegal activities.

3. Disruption of the mid-level structure of organized crime.

4. The application of longer jail terms than provided for by individual Statutes.

5. R.I.C.O. Statute may be used as a bargaining tool for information on higher-ups in organized crime.

6. Trained local police officers engaged in R.I.C.O. activities will add to the Federal Task Force efforts.

7. Local police agencies contributing more to Federal efforts will receive a greater share of Federal Forfeitures. (See the Comprehensive Crime Control Act, 1984.)

Federal technical assistance would structure (and make operational) State R.I.C.O. Task Forces from the following Florida State Agencies that solely can file R.I.C.O. action.

Ch. 16.53 (State Attorney General) Legal Affairs Revolving Trust Fund.

A $2,000,000 Trust Fund for R.I.C.O. Investigation and Prosecution.

The current fund balance is $1,800,000 and which is rarely used for Civil R.I.C.O.

Ch. 27.345 (State Attorney) Reimbursement of Task Force related expenses in R.I.C.O. Forfeiture Actions.

A Civil R.I.C.O. Trust Fund is established for each of the (20) State Attorney Districts.

NONE HAVE APPLIED FOR FUNDING

Ch. 27.251 Special Organized Crime Investigators.

State Attorneys may furnish to any County or City an Assistant State Attorney, paid for by the City or County. The State Attorney may employ any City or County police officer, full time, to investigate matters involving organized crime, paid for by the City or County. A few State Attorneys use this provision sparingly for criminal R.I.C.O.

We believe that State R.I.C.O. can fill a void by more intensely investigating and prosecuting local organized crime directly involving drugs, and businesses of a casual relationship, such as: pornography, gambling, escort services, prostitution rings etc., by using and enforcing existing Law.

FACT:

The Florida R.I.C.O. Act is broader in scope than Federal R.I.C.O. and is tailored to meet State and municipal needs.

Example:

Chapter 895.05 (12)(a) provides civil forfeiture remedy of real property the first time it is used in related R.I.C.O. criminal acts. This would be especially helpful in forfeiting of apartments owned by slum landlords - particularly absentee owners, by allowing for the filing of ex parte liens.

(To our knowledge, this has not been used since becoming law in 1984. Proliferating drug "freebase houses" would be top priority.)

FACT

The Comprehensive Crime Control Act of 1984 provides for local agency sharing of monies from Federal forfeitures as an incentive to increase their involvement. This should be expanded upon by the training of local police agencies and State (Attorney) personnel in R.I.C.O. law and techniques.

FACT

The most often used excuse for not prosecuting under R.I.C.O. is: "My resources are directed towards violent crime as first priority."

FACT

Drugs are the cause of most violent street crime.

CONCLUSION:

Quality arrests and prosecution of those dealing in drugs above street level will increase by using R.I.C.O. where applicable.

High quantities of arrest and prosecution of street level dealers is not necessarily effective, nor does it allow for forfeitures to offset operational costs.

The Committee might suggest to the various States, that Federal expertise is available to assist in developing State, County and City Drug Task Forces.

NOTE:

Only five of twenty State Attorney Districts have filed Criminal R.I.C.O.

No information indicates any use of Civil R.I.C.O.

The Dade County State Attorney has never used R.I.C.O.

Broward County State Attorney has one felony conviction for pornography (obscenity).

OFFICE OF THE
SHERIFF
BROWARD COUNTY

NICK NAVARRO
SHERIFF

P.O. BOX 9507
FORT LAUDERDALE, FLORIDA 33310

DATE: MARCH 21, 1986

IN REPLY REFER TO:

GOOD MORNING GENTLEMEN!

I FULLY REALIZE THAT ALL OF US HERE ARE COGNIZANT OF HOW WIDE-SPREAD THE USE AND AVAILABILITY OF NARCOTICS AND DANGEROUS DRUGS ARE WITHIN THE STATE OF FLORIDA AND THROUGHOUT THE UNITED STATES. I DO WISH, HOWEVER, TO BRIEFLY COMMENT ON THE SUBJECT.

WE IN LAW ENFORCEMENT MUST BE REALISTIC IN OUR ASSESSMENT OF THE CURRENT DRUG PROBLEM. OUR GOVERNMENT HAS BEEN FIGHTING THE DRUG WAR FOR A LONG TIME, THROWING ENORMOUS AMOUNTS OF MONEY, ENFORCEMENT MANPOWER AND PUNITIVE ACTIONS INTO THE BATTLE - YET I SUSPECT WITH ITS CURRENT TACTICS, THE WAR WILL NOT BE WON.

DESPITE MASSIVE FEDERAL COMBAT AGAINST ILLICIT DRUGS, TRAFFICKING HAS NEVER BEEN MORE RAMPANT AND THE POWER AND WEALTH OF TODAY'S DRUG UNDERWORLD, SURPASSES ANY CRIMINAL ENTERPRISE THIS COUNTRY HAS EVER KNOWN.

JUST A FEW MONTHS AGO, FEDERAL SOURCES OUTSIDE THE CITY OF JACKSONVILLE CONFISCATED APPROXIMATELY 80 TONS, ABOUT 160 THOUSAND SOME ODD POUNDS OF MARIJUANA ABOARD A SINGLE VESSEL. THIS PAST YEAR, FEDERAL AUTHORITIES HAVE SEIZED OVER 50,000 POUNDS OF COCAINE. MARIJUANA SEIZURES HAVE BEEN AVERAGING IN RECENT YEARS APPROXIMATELY TWO AND A HALF MILLION POUNDS PER YEAR.

I GENUINELY BELIEVE THIS COUNTRY'S ONLY DEFENSE AGAINST NARCOTICS TRAFFICKING AND DRUG ABUSE IS AN ALL-OUT ATTACK ON THE PROBLEMS OF SUPPLY IN THE SOURCE COUNTRIES, SUCH AS EFFECTIVE ERADICATION, SUSTAINED BLOCKADES AND EVEN THE BREAKING OF DIPLOMATIC RELATIONS WITH SOME UNCOOPERATIVE SOURCE COUNTRIES. SOME OF THESE ACTIONS MAY BE CONSIDERED HARSH, BUT WE'VE TRIED ALMOST EVERYTHING ELSE TO NO AVAIL....BELIEVE ME, THESE ARE THE ONLY WEAPONS WHICH WILL WIN US THIS WAR!

WE MUST ALSO CURTAIL THE DEMAND HERE IN THIS COUNTRY THROUGH RE-EDUCATING OUR SOCIETY TOWARD LESS CHEMICAL DEPENDENCIES AND MORE EFFECTIVE LAW ENFORCEMENT, WHICH SHOULD INCLUDE MINIMUM MANDATORY SENTENCING FOR NARCOTICS OFFENSES.

THIS NATION'S EDUCATORS MUST INITIATE A REQUIRED, WELL-ROUNDED EDUCATIONAL PROGRAM WITHIN OUR SCHOOL SYSTEM, BEGINNING WITH OUR 5 YEAR OLDS, ON NARCOTICS AND DANGEROUS DRUGS.

ONLY COMBATIVE SUCCESSES IN THE AREAS OF SUPPLY AND DEMAND WILL IMPACT ON THE COUNTRY'S NARCOTICS AND DANGEROUS DRUG DILEMMA.

THE APPEARANCE OF "DESIGNER DRUGS", FREE-BASING, AND A SUPER-POTENT, SUPERDANGEROUS AND CHEAP FORM OF COCAINE KNOWN AS "CRACK", IN OUR STREETS PRESENTS AN EVEN MORE DANGEROUS ENVIRONMENT WITHIN OUR JURISDICTIONS.

WE HERE IN SOUTH FLORIDA ARE NOW EXPERIENCING UNPRECEDENTED PROBLEMS BROUGHT ABOUT BY DRUGS:

1) DRUG-RELATED VIOLENT CRIME FROM STREET CORNER MUGGING TO BIZARRE KIDNAPPINGS AND MULTIPLE MURDERS.

2) Our jails and prisons overflowing with thousands of inmates who are long-term drug offenders, and the sky-rocketing cost of housing these people.

3) Corruption of people in politics, law enforcement, business and the highest professions.

Drug trafficking is a most significant issue confronting all of us - we all have committed substantial resources towards the control of drug abuse and the immobilization of the narcotic underworld. Still, narcotics and dangerous drugs are plentiful within our jurisdictions. The purity remains high and the price continues to go down. Cocaine, the drug we are most concerned with here in this geographical area, sold for approximately $60,000 a kilo (2.2 lbs.) just a couple of years ago. It now sells for under $30,000 per kilo. We must acknowledge that our present combative strategies are not working. Cooperation between federal, state and local law enforcement agencies has dramatically improved; however, this alone will not solve the drug problem. We will only impact significantly if the federal government deals with this nation's narcotics and dangerous drug problem on the same level it does defense, the balancing of the budget, inflation, etc.

Only the strongest actions by the federal government utilizing the weapons I have addressed here today, would, I believe, provide the citizens of this nation, especially we who are engaged in law enforcement, with a strong indication of our enhanced coordination of effort and commitment to the welfare

OF OUR COMMUNITIES.

THANK YOU FOR INVITING ME HERE TODAY AND BE ASSURED OF MY CONTINUED COOPERATION'- GOOD LUCK TO ALL OF YOU IN THIS MOST IMPORTANT ENDEAVOR!

NICK NAVARRO
SHERIFF
BROWARD COUNTY, FLORIDA

Testimony of

William M. Stokes

Chairman

Miami Citizens Against Crime

before the

U.S. House of Representatives

Select Committee on Narcotics Abuse and Control

Miami, Florida

~~April 16,~~ 1986

MAY 16,

Chairman Rangel and members of the Committee, it is a pleasure to welcome you to South Florida and to provide to you a citizen's view of the drug related crime problem in this area.

I am William M. Stokes, Vice President Miami Dade Community College South Campus. Today I am here as Chairman of Miami Citizens Against Crime (acronym MCAC).

MCAC was founded four and a half years ago by the Greater Miami Chamber of Commerce, the Miami-Dade Chamber of Commerce, the Latin Chamber of Commerce, the Citizens Crime Comission of Greater Miami and the Orange Bowl Committee. We have 200 individual members. In addition, over 150 civic, cultural, religious and advocacy organizations have officially endorsed our objectives as sponsors. Thus, Miami Citizens Against Crime is civicly, professionally and ethnically representative of our entire community.

MCAC was formed because there was a very severe crime problem in this area. A significant part of that problem was not unlike that which plagues other large urban areas in the United States. But here the situation was greatly aggravated by the fact that South Florida was the pipe line terminal for a large portion of the illegal drugs entering this country.

We recognized at the outset that much of the responsibility for clean-up of this situation rested with local citizens and Local and State government. And we set about dealing with that responsibility. New taxes for crime fighting were requested by the citizens and approved; increased law enforcement and justice system resources were approved by governing bodies; and people from throughout our community and State began to participate in the process of restoring public safety.

The results were gratifying. In the three years following 1980, crime diminished 17% in Dade County.

We also recognized at the beginning, however, that there was little we could do locally about the massive flow of illegal drugs across our borders without considerable help from the Federal Government.

We asked for that help in December of 1981. It came swifty, from both the Executive Branch and the Congress.

The South Florida Federal Task Force was put in motion; significant additional resources for participating Federal agencies were provided; the U.S. Attorney's office was strengthened; additional Federal judges approved; and new or amended legislation was forthcoming. Indeed, the swiftness of getting into action was, in itself, another strong element in encouraging commensurate local and State endeavors.

In looking back on the four years that have followed the formation of the Task Force, we see the following:

- Steadily growing effectiveness of the Task Force measured in terms of illegal drug seizures and apprehension of drug traffickers, exactly what they were put in business for.
- Significantly increased prosecution and conviction of drug traffickers. This has been a vital component since it does no good to apprehend those in the trade if they cannot be expeditiously brought to the bar of justice.
- Extensive participation by the U.S. military, within the confines of the revised Posse Comitatus Act. It is obvious, even to the novice, that this brings to bear equipment and resources vital to the off-shore interdiction of drug traffic that would not otherwise be available.
- Increasing cooperation between Federal, State and Local law enforcement agencies in the fight against the illegal drug traffic.
- Considerable reduction of the violence formerly associated with the drug traffic in this area. We believe this is due in no small part to the superb efforts of the Bureau of Alcohol, Tobacco and Firearms in reducing the flow of illegal weapons.
- The work of the Task Force has to some degree freed local law enforcement to concentrate on street crime.
- Some successes and some failures in dealing with foreign production and distribution. Although this is not a direct function of the Task Force, it certainly bears directly on the problem.
- Nationwide extension of the war on drugs through the National Narcotics Border Interdiction System and the Organized Crime/Drug Enforcement Task Forces. The apparatus is not important; the thrust is right on target. This is a nation-wide problem that must be dealt with nationally.

We conclude from this analysis that by and large the Federal efforts are substantial and directed at the right focal points, relative to cutting the <u>supply</u> of illegal drugs.

The <u>results</u> in terms of actually reducing availability of illegal drugs in this area, or the U.S., are not encouraging. One may safely say that the problem of

availability would have been a great deal worse without the efforts outlined above, but that is scant consolation for a society that continues to be plagued by an epidemic of use of illegal drugs.

In addition, we find that crime in our area has again turned upward. Although the reasons are illusive, it is increasingly clear that there is a major relationship between crime and use of (as opposed to trafficking in) illegal drugs. Law enforcement officials acorss the U.S. estimate that over half of crimes commited involve perpetrators on illegal drugs at the time of the crime. That is an amazing and alarming statistic. And there are indications that the correlation is even higher in this area, because of the ready availability of the products.

So what can be done better or different to stem the flow? We offer a few observations.

First, current efforts to reduce the supply of drugs must be continued, or indeed increased where marginal analysis indicates that to be appropriate. To do otherwise would bring a flow that would be overwhelming. The essential ingredients are:

- Curtailing foreign production and distribution. Conceptually, this is the focus with the largest pay-off potential and the room for greatest improvement. Practically, there are no demonstrated reasons to be optimistic.
- Interdiction off-shore. This is obviously a matter of forces that can be brought to bear, their cost and their marginal utility. We certainly recommend that those forces now applied be spared from any forthcoming budget reductions; selected increases are probably in order, particularly for the Coast Guard and Customs. More military participation would undoubtedly help a great deal, as is frequently mentioned, but the imperatives that obtain in that arena are beyond our scope.
- Apprehension and prosecution of domestic traffickers. This again is a matter of forces, and budgets. Here too, cuts should not be permitted.
- Curtailment of domestic growth/production of illegal drugs. We speak of growth of marijuana and production of street-ready cocaine. Both are very significant and increasing. And we see very little determined and concerted effort to do much about it. Here, unlike other elements discussed above, we see considerable opportunity and possibility for significant improvement. Such action would send an important message to those abroad whom we are asking to do the same thing, as well as to our own citizens.

Relative to supply, then, we are not optimistic that either affordable augmentations of current efforts or innovations will substantially decrease the flow of illegal drugs coming into the United States. All we can hope is that these efforts, if maintained,

will buy time until we as a nation can abate our voracious appetite for the products.

Thus derives our second point on what can be done new or different, that is, a major nation-wide campaign directed at cutting the use of illegal drugs.

To state the obvious, the ultimate answer to the drug problem lies within our people. When we stop using drugs, the suppliers will stop sending them.

To date, we do not see that kind of effort and commitment nationally, nor locally for that matter. It must come, and we urge the Congress to assist in fostering such a movement.

For our own community, we have recently developed and recommended a comprehensive drug prevention program primarily focused on family, religion and the workplace. It remains to be seen what will come of that, but we know the work must be done. A copy of our program is attached for your information.

In closing, I want to thank your Committee for all the work you have done and are doing to rid our nation of illegal drugs. No other national problem merits more attention.

Thank you for the opportunity to appear today.

# # #

MIAMI CITIZENS AGAINST CRIME

DRUG ABUSE PREVENTION PROGRAM

PREAMBLE

The usage of illegal drugs in the United States is an epidemic of alarming proportions. This epidemic is pervasive across all segments of society, from the unemployed to directors in the corporate boardrooms. The Miami area is in particular jeopardy because of the easy access to these insidious products.

Government can attack the supply of illegal drugs problem, but only an aroused and dedicated citizenry can stop the demand for illegal drugs within its community.

The demand for illegal drugs by people in the work force causes accidents that injure fellow employees, business invitees and the general public. The losses in increased health costs, damaged materials, and tort liability for negligent supervision of employees causing the on the job accidents are making our businesses lose money and become noncompetitive. The loss of family life, and role models for children is ruining a large part of a generation of future leaders. Tales of death, human destruction and corruption from illegal drug usage are heard from every corner of our society. Illegal drugs are an epidemic in this community which must be met with an equal force if we are to salvage our society.

Nothing less than a total community mobilization effort to reduce this demand for illegal drugs must be raised. Tough medicine must be swallowed by all to cure the community's epidemic for the safety and welfare of the general public.

MCAC's reason for existence is to insure that the major crime problem in this community is effectively addressed. The greatest link to crime in this community is illegal drugs.

MCAC's function in this drug abuse prevention effort is to provide community wide goals and tasks for reduction in illegal drug demand, to support community organizations addressing effectively the specifics of those programs and to fill the gaps by insuring that those unaddressed programs are provided.

Therefore, we agree to facilitate the following nine objectives and related tasks to meet this epidemic that is destroying the foundations of our society:

THE DRUG ABUSE PREVENTION PROGRAM

OBJECTIVE 1

To promote and support substance abuse education programs in all Dade County schools, public and private, grades Kindergarten through 12th.

TASKS:

1. Establish as a top priority programs that are effective in preventing chemical abuse in Dade County Public and Private Schools.
2. Develop a continuum of prevention and intervention education in grade K-12 and college level.
3. Among areas that should be promoted are early intervention of high risk children, character education, early intervention of drug use, comprehensive chemical abuse education curriculum throughout school years.
4. Provide training for teachers to enhance their effectiveness as positive examples.
5. Promote programs for children and parents to communicate more openly with each other and to strengthen their family relationships.

OBJECTIVE 2

To promote and support parent education and involvement in drug demand reduction.

TASKS:

1. Promote a NO DRUG message for youth.
2. Promote a NO ILLEGAL DRUG and no abuse of legal substances message for adults.
3. Promote role model standards of behavior that parents expect from others, particularly their children.
4. Promote programs for parents to get in the trenches and meet with other citizens on grassroots level.
5. Promote programs for parents to become educated on drug use and abuse.
6. Promote programs for parents and children to communicate more openly with each other and to strengthen family relationships.
7. Strengthen the development of community task forces and support their activities.

OBJECTIVE 3

To promote and support elimination of illegal drug use in work force.

AND

OBJECTIVE 4

To promote and support elimination of illegal drug use by government employees and officials.

TASKS:

1. Provide model protocol and procedures for effective and accurate drug and alcohol urinalysis and other screening that provides protection for individual civil rights.
2. Provide model urinalysis policy and procedures manual for businesses, unions and governments.
3. Provide model Employee Assistance Programs for businesses, unions and governments.
4. Obtain insurance company proposals on rate reduction benefits if company, union or government has program of mandatory drug screening.
5. Prepare position paper on impact on corporate bottom

line:

(a) insurance costs;

(b) accident costs;

(c) lost product costs.

6. Achieve community wide practice by all businesses unions and governments to have mandatory random drug urinalysis screens* for all applicants, employees and officials.

7. Establish substance abuse identification training for all supervisory personnel.

8. Establish a continuum of education for drug abuse prevention and intervention for all personnel.

9. Enlist all businesses, unions and governments in a compact and certification to achieve a community wide practice of implementing all tasks under Objectives 3 and 4.

* Drug urinalysis screens are recommended only if performed pursuant to model protocol and procedures to be established by Task #1.

OBJECTIVE 5

To promote and support reduction of use of drugs in special "at risk" sections of our community.

TASKS:

1. Support character and leadership training programs which strengthen family ties for youth in impoverished housing projects and migrant labor camps.

2. Promote and support drug free alternative activities for youth and their families which would enhance a healthier environment for all citizens of Greater Miami.

3. Promote programs that enhance the training and employability of school dropouts.

4. Support effective programs to eliminate the supply of illegal drugs in the criminal justice system.

5. Promote an effective criminal justice screening process to identify those arrestees who have a reasonable likelihood of responding to intervention for drug abuse and related behavior.

6. Promote an effective criminal justice system intervention program aimed at the identified arrestees that are potentially responsive to drug abuse intervention.

OBJECTIVE 6

To promote and support involvement of religious community in drug demand reduction.

TASKS:

1. Enunciate and support a NO DRUG and no abuse of legal substances message for youth, and a NO ILLEGAL DRUG and no abuse of legal sustances message for adults in all churches and synagogues.

2. Emphasize, through sermons and homilies, the moral imperative of a drug-free society in all churches and synagogues.

3. Introduce a continuum of prevention and intervention education courses in all grade levels of religious schools.

4. Conduct on a regular basis drug education and discussion sessions for the adults in the religious community, including special segments for parents.

5. Ensure that all persons in a religious leadership role, including functional specialists such as youth workers, are fully informed on drugs and their effects.

6. Establish a definitive policy relative to drugs at youth and adult activities at churches and synagogues.

7. Provide for church and synagogue counseling and referral service for persons with a drug problem, offering facilities for A.A. and N.A. meetings.

8. Establish liaison between each church and synagogue and the appropriate community task forces in your locality.

9. Publicize drug prevention and awareness in all churches and synagogues.

10. Provide for drug educational materials in all church and synagogue libraries.

11. Ensure that the religious community provides the personnel, resources and expertise to reach out to the drug abuser and provide a support system within their community of belief, e.g., the lay ministry program of the Archdiocese of Miami provides an alternative preventive and therapeutic environment.

12. Enlist all churches and synagogues in a compact and certification to achieve a community wide practice of implementing all Tasks under Objective 6.

OBJECTIVE 7

To promote and support the involvement of the media in drug

demand reduction.

TASKS:

1. Promote the establishment as a goal of the editorial policy of all media, the reduction in demand for drugs.

2. Promote media to portray a consistent and clear theme that drug abuse is harmful to all aspects of the community.

3. Obtain commitment of all media to share in publicity saturation of harm of drug abuse.

OBJECTIVE 8

To promote and support legislative initiatives to further drug demand reduction.

TASKS:

1. Pass legislation to require all medical students, nursing students, pharmacy students, police academy students, and law students, M.B.A. students, counselors and teachers, to successfully complete course of substance abuse education in order to obtain degree.

2. Pass legislation to require test section on substance abuse identification on all state professional licensure examinations.

3. Pass legislation to require course credits on substance abuse identification in continuing education programs to maintain certification for all professional license holders.

4. Pass legislation to require drug testing after every personal injury vehicular, boating and aircraft accident of all parties to the accident and centralize and tabulate the results.

5. Pass legislation to establish as a mandatory condition of criminal probation, submission of the probationer to random drug screens during period of probation.

6. Pass legislation that all health insurance companies and HMOs must offer a minimum of one short term in-patient substance abuse treatment (28 day maximum) in accredited facilities in addition to outpatient treatment.

OBJECTIVE 9

To promote and support research needed for answers where important information is lacking in drug demand reduction for our community:

TASKS:

1. Facilitate preparation of formative, process and impact

research that examines the effectiveness of the Miami drug prevention education, prevention and cessation programs by:

(a) Working with program developers in formulating and evaluating the formulation of the program to ensure its clarity, logic and feasibility. . . .

(b) Documenting and evaluating the process of the program to examine the success of the program in actually doing what it said it would. Process research can help a program identify and correct its implementation and operational weak points.

(c) Outcome research, using before/after and/or comparison group designs would document the overall impact and would document for what groups the program was most or least effective. Such information would help identify target groups for whom the program is most effective or help broaden the program to make it more generally effective.

2. Facilitate preparation of epidemiological research, the incidence and prevalence of drug abuse in specified populations to:

(a) Document the severity of the problem and its consequences, and therefore the need for community action.

(b) Provide suggestions for the focus of community response. That is, who is at risk and toward what groups education, prevention and cessation efforts should be directed.

3. Facilitate preparation of structural impact research that examines the impact of macro level prevention, interdiction and enforcement efforts by:

(a) Research looking for previous work examining the role of institutional policies and laws on affecting drug using behavior, the type of laws and policy changes that might be useful.

(b) Research institutional ethnographies attempting to understand how various industries and systems work and therefore what policy changes could be made that would reduce drug use. This knowledge would involve examining the operation of the system, its communication network and reward and punishment structure.

4. Facilitate preparation of message impact research. The use of the media is an important part of drug education and prevention. However, experience has shown that it is extremely difficult to develop a credible message from a credible source that effectively impacts drug abuse prevention. Research needs to be done on what specific high risk groups perceive as valid information and credible sources of information and what type of information would be most likely to impact their use

or potential use of drugs. We would expect these issues to vary by age, ethnicity, social class and belief systems.

5. Facilitate the preparation of a paper that compares the drug abuse problem in Greater Miami with the rest of the United States' communities.

6. Facilitate the establishment of a professional team of experts to act as a resource staff to the community mobilization effort. The team's responsibility would include provision of the latest scientific concepts to mobilize the sectors of the community through the application of modern concepts of strategic structural systems theory. The team would propose to organizations in each sector of the community the development of demand reduction agenda and action plan. The team would then continue to facilitate within each sector the implementation of the corresponding action plans. This work would bolster the efforts of existing community organizations.

MIAMI CITIZENS AGAINST CRIME
DRUG ABUSE PREVENTION COMMITTEE

Mr. Cleveland Bell — 545-0058
Executive Director
Riverside House
968 N.W. 2nd Street
Miami, FL 33128

Head of Riverside House, a half-way house for former drug addicts and ex-offenders. Member of MCAC and actively involved in community services and affairs.

Joe Davis, M.D. — 549-7342
Medical Examiner
1050 N.W. 19 Street
Miami, FL 33136

World renowned medical examiner; past president, Dade County Medical Association; past president, National Association of Medical Examiners; past president, American Academy of Forensic Sciences; member of the Executive Committee of MCAC.

Marvin Dunn, Ph.D. — 554-3383
Psychology Department
Tamiami Campus
Florida International University
Miami, FL 33199

Ph.D. sociologist, Psychology Department, Florida International University; heads a school for troubled children; actively involved in community services and affairs.

Ms. Betty Huck — 545-3600
Traffic Safety Coordinator
1500 N.W. 12 Avenue, Room 905
Miami, FL 33136

In charge of traffic safety for Dade County's Driving Under the Influence Program; past president of the Junior Leaque of Miami; vice president of MCAC and member of the Executive Committee.

Mrs. Marlene Josefsberg — 238-2872
12990 S.W. 74 Court
Miami, FL 33156

Present head of Florida Governor's Commission on Drug and Alcohol Concerns; Co-founder and past president, Informed Families of Dade County; vice president, Florida Informed Parents; Member of MCAC Executive Committee.

Mr. Joseph H. Lodge 866-7506
Corporate Security Advisors, Inc.
P. O. Box 6192
Miami Beach, FL 33154-6192

President of a nationally recognized company specializing in economic impact of drug abuse; former DEA agent for 13 years.

Duane C. McBride, Ph.D. 547-6163
Health Services Research Center
School of Medicine
University of Miami
14731 S.W. 150 Avenue
Miami, FL 33196

Ph.D. sociologist, research associate professor Department of Psychiatry, University of Miami School of Medicine; 4 years prior service on committees for the National Institute of Drug Abuse; recently elected to 4 year permanent appointment to the National Institute of Drug Abuse; 12 years research in drug abuse area; presented expert witness testimony before United States Senate Subcommittee on Alcohol and Drug Abuse; performed research for State of Florida and many other states on drug abuse area.

Archbishop Edward A. McCarthy 757-6241
Archdiocese of Miami
9401 Biscayne Boulevard
Miami Shores, FL 33138

Member of MCAC Executive Committee, Chairman of the Greater Miami Religious Leaders Coalition; head of the Archdiocese of Miami.

Commander Arthur Nehrbass 592-7323
Organized Crime Bureau
Metro-Dade Police Department
Suite 400
7925 N.W. 12 Street
Miami, FL 33126

Former special agent in charge, Miami Division Federal Bureau of Investigation during Miami's most turbulent times; presently Commander of the Organized Crime Bureau of the Metro Dade Police Department; an attorney actively involved in public service affairs.

Fr. Sean O'Sullivan 947-5043
Holy Family Catholic Church
14500 N.E. 11th Avenue
No. Miami, FL 33161

Director of the Division of Substance Abuse for Catholic Community Services; head of the DARE Program for drug and alcohol abuse; head of St. Luke's Bethesda Manor Program.

Jose Szapocznik, Ph.D. 448-8148
University of Miami
Spanish Family Guidance Center
747 Ponce de Leon Boulevard
Coral Gables, FL 33134

Ph.D. professor, University of Miami Department of Psychiatry, School of Medicine, Director of Miami World Health Organization Collaborating Center for Mental Health, Alcohol and Drug Dependents; served on committees for the National Institute for Drug Abuse; president of the International Health Council; board member of Informed Families for Dade County.

Mr. Sam Verdeja 350-2111
The Miami Herald
1 Herald Plaza, 6th Floor
Miami, FL 33101

Executive committee member, MCAC, in charge of local programs; head of community relations, Miami Herald.

Atlee W. Wampler, III, Esq. 358-8880
Blackwell Walker Fascell & Hoehl
2400 AmeriFirst Building
One Southeast Third Avenue
Miami, FL 33131

Chairman, Drug Abuse Prevention Committee, MCAC; member MCAC Executive Committee; former United States Attorney, Southern District of Florida; practices in the area of health care industry law.

TESTIMONY

OF

LEON B. KELLNER
UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF FLORIDA

BEFORE

THE

SELECT COMMITTEE ON
NARCOTICS ABUSE AND CONTROL
HOUSE OF REPRESENTATIVES

ON

MAY 16, 1986

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

MAY 16, 1986

Mr. Chairman and members of the Select Committee:

I want to thank you for inviting me to testify before this hearing regarding the current status of drug trafficking through South Florida and the many federal law enforcement efforts which have been undertaken to address this serious problem.

In October 1983, United States District Judge Stanley Marcus, who was the United States Attorney at the time, testified before this committee concerning our efforts to combat narcotics trafficking. My testimony today will bring this committee up to date on our enforcement efforts as well as describe the new initiatives that we have undertaken.

Illicit drug use is in my view the most serious social as well as law enforcement problem facing the United States today. There is a veritable cornucopia of drugs available for abuse and everyday more people are experimenting with illegal drugs. For example, the use of cocaine has simply exploded. In 1983, we estimated that between 13 and 18 million Americans had used cocaine at least once. Today we estimate use by more than 24 million persons, spread across the social spectrum.

This is cause for alarm when one considers the destructive capacity of cocaine. New evidence supports previous findings that cocaine is both more addictive and more toxic than heroin.

Ironically, cocaine was once touted as a harmless, non-addictive "recreational" drug. However, research on laboratory animals has revealed it to produce a tenacious dependency accompanied by erratic behavior and a sharp deterioration in health. Interviews with actual cocaine users corroborate the laboratory findings.

Use in the category of "Dangerous Drugs" -- methamphetamine, PCP and a variety of "Designer Drugs" -- has also increased dramatically.

Illegal trafficking in prescription drugs, which accounts for 70 percent of all drug-related deaths, is also on the rise.

What all the drug consumption statistics add up to is a very large American appetite for drugs. The United States is quite simply the largest market for drugs in the world; it is massive demand begging for supply.

With profits of several thousand percent not uncommon, there is obviously no shortage of people willing to enter the drug trade.

I don't have to tell you that South Florida's drug trade is legendary. It continues to be the point of entry for more than 70 percent of the marijuana and cocaine imported into the United States from South America and the Caribbean. Miami is the Wall Street of drug trafficking.

Five years ago, the drug problem was out of control in South Florida. Drug dealers and smugglers acted with impunity, flaunted their wealth and, in general, simply disgarded law enforcement. Every day there were reports of rival drug gangs shooting it out in the streets of Miami. When you walked into a bank, more likely than not, you saw couriers depositing millions of dollars in cash, all drug trafficking proceeds, with no concern that anyone would even care, much less report them to the authorities.

In fact, the drug trafficking problem, and the associated money-laundering problem, was so well recognized and the problem so pervasive that a federal court took judicial notice. The following quote from the court's opinion is particularly instructive:

> "Dade County and environs do not exist in a vacuum. It would be both unrealistic and a derogation of the common experience consideration that I am obligated to bring to my deliberations here if I did not take into account that Miami and environs have become a currency center for drug activities."

At the outset, the Department of Justice recognized that in order to successfully combat the drug crisis, a systematic approach would have to be employed. It was not enough to simply interdict drugs or put street dealers in jail. We recognized that drug smuggling and its ancillary support services had become a major industry - by some estimates the largest cash industry in the United States, if not the world. We continue to be

confronted with an immense law enforcement challenge arising from the tremendous profits generated by the narcotics business.

The profitability of any industry - even this insidious one - is a function of its revenues on the one hand and its costs on the other. Our law enforcement initiatives in South Florida, and indeed throughout the country, have been designed to increase those costs at every key point of vulnerability so that the costs of drug trafficking rise so high that they overwhelm the immense revenues generated by this insidious criminal industry.

The intensified federal law enforcement response to this staggering, multi-faceted problem has involved at least seven interlocking parts: (a) a new and expanded interdiction effort; (b) increased efforts to identify, penetrate and prosecute major international and domestic narcotics organizations; (c) an increased and unparalleled effort to target, penetrate and prosecute the major money laundering enterprises which enable foreign narcotics cartels to launder and remove billions of dollars from this country; (d) increased investigation and prosecution of foreign officials from source countries involved in the international chain of drug smuggling; (e) increased investigation and prosecution of official and political corruption, especially where tied to narcotics traffic; and (f) increased emphasis on the forfeiture of narcotics dealers' assets, including cars, planes, boats, real property and cash proceeds.

We also recognized that no single agency - be it state, local or federal, could successfully deal with the enormous and unprecendented law enforcement task spawned by drug trafficking. For this reason, in 1984 the Administration created the thirteen regional Organized Crime Drug Enforcement Task Forces (OCDETF) which drew upon the experiences of the Vice President's South Florida Task Force. These regional task forces bring together the various federal agencies who deal with the narcotics problem. Each of these agencies have a particular expertise that can be brought to bear on the narcotics trafficking problem. For the first time on a national scale, we have different agencies working together under a single organizational structure to provide better communication and coordination. Under the OCDETF structure, each agency can draw on the special expertise of the other to attain our ultimate goal of putting an end to narcotics trafficking. Equally important, we are also working closely with local and state law enforcement to insure that our scarce resources are utilized as effectively and efficiently as possible.

Law enforcement in South Florida has successfully utilized all available tools to wage war on drug trafficking. Our prosecutorial approach has been a multi-dimensional one. We have indicted and prosecuted the drug traffickers, the money

launderers, the public officials corrupted by enormous drug profits and foreign officials who have allowed their countries to be used as way-stations for drugs coming from Latin America to South Florida for distribution throughout the United States.

(a) Interdiction

The front line of defense in our efforts against the importation of narcotics is interdiction. The key agencies that comprise this endeavor - the Coast Guard and the Customs Service - have had their resources substantially increased over the past few years. Nevertheless, the magnitude of the drug trafficking challenge has necessitated a substantial support role for the United States military. While the Posse Comitatus Act prohibits direct military involvement -- both at home and abroad -- in U.S. law enforcement actions, such as search, seizure, and arrest, Congress has allowed the military to assist by authorizing use of military equipment and manpower in non-arrest situations.

The National Narcotics Border Interdiction System (NNBIS) has also played a unique role in permitting us to use our limited resources more efficiently and effectively. NNBIS provides a central clearinghouse for intelligence on suspect vessels and airplanes used to transport narcotics. It provides up to the minute information to the Coast Guard and Customs so that these suspect vessels and airplanes can be located and interdicted.

In South Florida, with our great expanse of coastline, the only way the interdiction effort can hope to be successful is through state, local and federal law enforcement cooperation. This effort received a strong boost with the opening of the Joint Marine Interdiction Command Center. This Center houses state of the art technology which coordinates the interdiction efforts of 23 state, county and local law enforcement agencies in addition to the federal agencies.

(b) Increased efforts in the identification, penetration and prosecution of major international and domestic narcotics organizations.

We recognized that the drug smuggling cannot be stopped by simply focusing enforcement on street trafficking. It is much more effective to go after the drug cartels and break them up. We therefore targeted the major players and not the small distributors who could easily be replaced. In the past two years we have successfully investigated and prosecuted hundreds of defendants in a variety of operations that were specifically designed to break up major drug organizations. Among the most significant of the recent prosecutions in this district directed at major cartels and drug organizations are the following:

1. A twenty count indictment returned in July 1984 against eleven individuals including four who are purported to be the heads of the major Colombian drug cartel. Five defendants have pled guilty or were convicted after trial and six remain fugitives. One defendant, Jorge Ochoa, is currently incarcerated

in Spain pending extradition proceedings. The evidence presented at trial showed that these defendants conspired to assemble and ship immense quantities of cocaine from Bolivia and Colombia, South America, to the United States. They established cocaine processing laboratories in Managua, Nicargua, and shipped the cocaine through Nicargua on its way to the United States. Approximately 1500 pounds of the cocaine actually smuggled out of Managua to Miami was ultimately seized by DEA.

2. Another case, Operation Hammerhead, focused on the importation of multi-ton quantities of methaqualone and marijuana, as well as multi-kilo quantities of cocaine. This massive prosecution broke apart a criminal organization that was importing methaqualone powder and counterfeit quaalude tablets from West Germany and Austria through Panama, Colombia, the Bahamas, the Netherlands and Toronto, Ontario for ultimate distribution in the United States. The virtual disappearance of illicit methaqualone from the illegal drug market can be substantially credited to Operation Hammerhead and the international cooperation it generated. As a result of Operation Hammerhead, thirty people were indicted, 22½ tons of methaqualone powder and 5½ million methaqualone tablets was seized in Canada, Spain, the Bahamas, Panama and Miami. Trial is pending in United States District Court for the Southern District of Florida.

3. The Sunshine State Bank case is another example of our work in this area. It involved a long term investigation

conducted by the Drug Enforcement Administration, attorneys and an investigator from the United States Attorney's Office. The investigation broke apart a massive vertically integrated marijuana smuggling syndicate headed by Jose Antonio Fernandez whose purpose was to import and distribute more than 600,000 pounds of marijuana, launder the proceeds and profits generated by the drug operations through a variety of domestic and foreign entities and, thereafter, invest the drug money in legitimate businesses and other assets in the United States. Among these was the Sunshine State Bank in Miami, where both the true owner and the Bank's drug source were disguised. This investigation resulted in the indictment of six persons. Additionally, this RICO indictment seeks the criminal forfeiture of the majority interest in the Bank as well as numerous other assets. To date, the ringleader, Jose Antonio Fernandez has pled quilty, two other defendants have been found guilty at trial, one was found not guilty and the remaining two are to be retried this month.

(c) Targeting Major Money Laundering Operat ons

The narcotics business is an enormously profitable albeit illegal business. The Department of Justice determined at the outset that the heads of the major drug organizations rarely touched the narcotics and often could not be traced directly to the importation of a specific shipment. However, the heads of these organizations invariably received the money. We discerned, however, that the transfers of these enormous quantities of cash generated by drug dealing always left a trail and that

investigations targeting the money side of narcotics transactions could be successful.

As a result, a joint investigative and prosecutive organization called Operation Greenback was set up under the roof of the United States Attorney's Office to focus specifially on the money laundering of drug trafficing proceeds. In the five years since the formation of Operation Greenback, numerous indictments have been returned involving hundreds of defendants and tens of millions of dollars in cash and assets have been seized and forfeited to the United States.

More importantly, Operation Greenback has had a demonstrable impact on the banking practices in Miami and throughout Florida. Five years ago, banks regularly disregarded the filing requirements of the Bank Secrecy Act. As a result of Operation Greenback prosecutions, banks are complying with the filing requirements of the Bank Secrecy Act, thus making it increasingly difficult for drug dealers to launder drug proceeds unnoticed. Two examples, in particular, illustrate the success of our efforts investigating and prosecuting money laundering.

(1) Operation Checkmate was a Greenback investigation that resulted in the breakup of a major nationwide money laundering organization. This operation uncovered a money laundering scheme wherein the head of the organization received large amounts of cash and delivered portions of the cash, in amounts in excess of

$10,000, to his associates. These associates, in turn, purchased almost 5,000 checks and money orders from hundreds of banks in over a dozen cities throughout the United States between October 1983 and February 1985. These purchases were made in cash in an amount under $10,000, thus avoiding, on each individual transaction, the bank reporting requirements of Title 31. The cashier's checks and money orders were then transported to Miami and deposited into various bank accounts. Since Title 31 reports are required only for cash transactions, the frequent deposit of hundreds of thousands of dollars in negotiable instruments in Miami circumvented the reporting requirements. Publicly disclosed information documents exchanges in excess of 10 million dollars in a nine day period.

A second phase of Operation Checkmate called Operation Checkmate II was concluded in February 1985 and involved five separate money laundering organizations using similar methods as described above. As a result of these two operations, forty-seven defendants were indicted.

(2) Operation Goldmine was a joint investigation conducted by Operation Greenback in Miami and the Financial Investigations Unit of the Los Angeles United States Attorney's Office which culminated, last month, in the arrest of five persons, the seizure of 116 kilos of cocaine and the seizure of 12.5 million dollars. This cash seizure represented the largest seizure of cash ever in a single coordinated drug case.

(d) Prosecution of Foreign Officials

As other witnesses today will point out, more cocaine and marijuana are being seized in South Florida than ever before. The enormous quantities of cocaine and marijuana being shipped into South Florida could not take place without the complicity and active participation of officials in source and transshipment countries. Law enforcement in South Florida has actively investigated, indicted and convicted a number of these foreign officials. Among the countries whose officials have been indicted are Cuba, Nicargua, Bahamas, Bolivia, the Turks and Caicos Islands and, just last month, Suriname.

The Turks and Caicos Islands case is particularly illustrative. This case involved the indictment and conviction of, among other persons, the Chief Minister, the Minister of Commerce and Development and the Junior Minister of Public Works. During the course of a DEA undercover operation, these ranking public officials offered their protection for the transshipment of between 400 - 800 kilos of cocaine weekly through the Turks and Caicos Islands into the United States through South Florida.

Increased Investigation and Prosecution of Public Corruption.

The narcotics business is estimated to be a 100 billion dollar a year business, almost all in cash. It is an unfortunate fact of life that this amount of money is a corrupting influence and can on occasion entice public officials to forget their

public duty and join the narcotics traffickers. Over the past three years the United States Attorney's Office for the Southern District of Florida has indicted and convicted a host of local, state and federal officials on a variety of charges that can be traced back to narcotics trafficking.

Three cases are illustrative:

1. Operation Highhat focused on drug smuggling through the Customs enclosure at Miami International Airport by skycaps stationed at the baggage counters. Included among the twenty-nine people indicted was a Customs Inspector. To date, twenty-eight defendants have been convicted and one remains a fugitive.

2. In May 1985, the Deputy Chief of Police of Key West, a Lieutenant of Detectives, a Sergeant of Detectives and eleven other people were convicted in connection with a protection scheme that was provided to dope dealers.

3. This past month three policemen from the city of North Bay Village, Florida were indicted and arrested in an FBI undercover operation. It is alleged that these policemen provided protection to multi-kilo loads of cocaine brought in to be off-loaded in their city.

(f) Forfeitures

We discerned at the outset that simply utilizing the criminal laws to put people behind bars is not enough. Drug

dealers are by and large motivated by pure and simple greed. In order to successfully attack drug smuggling, it is equally important to hit these criminals in the pocketbook and take their assets away whenever we can.

Thus, we have aggressively pursued narcotics assets utilizing both the civil and criminal forfeiture provisions of Title 21, the Drug Forfeiture Laws, Title 31, the Bank Secrecy Act, and the RICO Statute. In the past four fiscal years, we in the Southern District of Florida have forfeited cash and assets having a value in excess of 71 million dollars. We currently have pending civil forfeiture cases involving cash and other assets having an assessed value of more than 50 million dollars.

Among the cases we have successfully litigated include 8 million dollars, the largest single civil cash forfeiture case in United States history, a Lear Jet, a shopping center, multi-million dollar houses, and hundreds of boats, cars and planes.

The increased money and resources dedicated to the drug war has had a direct and immediate impact on the size of our caseload, particularly with respect to narcotics related charges.

The United States District Court for the Southern District of Florida has more criminal litigation than any other district in the United States. For the fiscal year ending September 30,

1985, the United States Attorney's Office for the Southern District of Florida indicted more felony cases involving more defendants than any other district in the United States. We have pending trial more felony defendants than New York and Chicago combined. Fully 11% of all the triable defendants in the United States are located in the Southern District of Florida. Almost 50% of this caseload is narcotics related. 75.8% of all jury trials in the Southern District of Florida are criminal as opposed to a national average of 40.5%. For the year ending June 30, 1985, my office prosecuted 276 criminal felony jury trials which is 112 more than the second busiest district.

As a direct result of our efforts to battle illicit narcotics trafficking, this District has an overburdened judicial system that must handle criminal cases at the expense of its civil docket. My prosecutors handle more cases, more defendants and have more trials than any other district in the United States.

However, in spite of our efforts and the efforts of dedicated state and local law enforcement officers, the narcotics problem facing this country is not going away. Drug abuse is a national epidemic and despite the record number of seizures, arrests and prosecutions, availability remains high. Our efforts to deal with the tidal wave of drugs flooding our shores are simply not enough. In order to deal with what I believe to be the most serious law enforcement and health issue facing this

country today, we must come to grips with the demand side - for without the extraordinary demand for drugs in this country, we would not have to deal with the supply side.

There are some who say that we can't win this war and we ought to give up. I vehemently disagree -- the stakes are too high -- the health and well-being of our children and this society. I am confident that the combination of effective, strong law enforcement, coupled with an aggressive education program can reduce our drug problem. We must, however, keep reminding ourselves that this is a long term project. We will succeed only if we persevere and not let the nay sayers dissuade us.

Before I conclude my remarks, I would like to address the final question you have asked me -- my perceptions of how the Gramm-Rudman-Hollings Deficit Reduction Act will impact on our ability to effectively carry out our mission.

For Fiscal Year 1986, Gramm-Rudman mandated a reduction of 4.3% in the United States Attorneys' budget authority. Apparently 70% of our budget represents lawyer and support staff compensation. The remainder is made up of necessary items such as overtime, travel, training, rent, utilities, and litigative expenses. There is very little in non-salary items that can be reduced before the Act impacts on our ability to hire Assistants.

The Department of Justice has taken steps to reduce training, travel and other non-salary items in order to avoid instituting employee furloughs. Additionally, employment controls have been instituted because of the 4.3% reduction in workforce availability. All of these steps have an impact on our ability to handle narcotics cases and investigations.

Defendants in narcotics cases hire the most able lawyers -- a reduction in training will ultimately lead to the Government not having the best trained lawyers representing the people of the United States. I believe that my office hires some of the best and brightest young attorneys in the country. However, they need training to be able to effectively counter the expertise of experienced and well-versed defense counsel.

Reductions in our travel budget will limit our ability to interview witnesses during investigations and thus diminish the quality of our trial preparation.

The deferred hiring mandated by Gramm-Rudman will mean that investigations will be put on hold and prosecutions will have to be delayed commensurate with our manpower.

However, it is my understanding that this year's impact may be negliglible compared to further reductions that could be imposed in 1987 and subsequent years. If faced with further reductions, we would then have no choice but to permanently reduce the number of cases and investigations we handle.

As a prosecutor and a resident of South Florida, deeply committed to the anti-narcotics battle, it is very distressing indeed that our efforts may have to be diminished. Especially after seeing these past years of extraordinary hard work by dedicated prosecutors and investigators having a positive impact on the quality of life in the South Florida. It is frustrating to say the least that we may now have to retrench. The traffickers are not going away, nor are they being impacted by Gramm-Rudman and neither can we. These criminals are poisoning our children, reducing our productivity in the workplace, and destroying the moral fiber of our society. We cannot permit these death merchants to have unrestricted access to our country. In the past four years, this effort has been a priority with both the executive and legislative branches of government. That priority must remain constant.

I understand that the Department of Justice has submitted a proposed 1987 budget requesting a slight increase over 1986. I ask you to favorably consider the Department of Justice's budget to prevent the disasterous impact that Gramm-Rudman will mandate.

Thank you again for your invitation to participate in this hearing.

STATEMENT

OF

PETER F. GRUDEN
SPECIAL AGENT IN CHARGE
MIAMI FIELD DIVISION
DRUG ENFORCEMENT ADMINISTRATION

ON

THE DRUG TRAFFICKING SITUATION
IN SOUTH FLORIDA

BEFORE THE

HOUSE SELECT COMMITTEE ON NARCOTICS ABUSE
AND CONTROL

CHARLES B. RANGEL, CHAIRMAN

MAY 16, 1986
MIAMI, FLORIDA

69-513 O - 87 - 7

Chairman Rangel, members of the House Select Committee on Narcotics Abuse and Control, I am pleased to appear before you today to discuss the drug trafficking and drug abuse situation in South Florida, and some special drug operations monitored by the Miami Field Division of the Drug Enforcement Administration.

Drug Abuse Within Miami Field Division

Before discussing our enforcement program, I would like to briefly mention the scope of the abuse problem here. Generally speaking, drug dependent people in Florida range from 10 years of age to their early 60's. Because of the privileged Doctor/Counselor-patient relationship, very little hard information can be obtained on the socio-economic, demographic groupings of the abusers. Indications are that Florida's abusers come from all economic and ethnic groups and include teachers, doctors, lawyers, law enforcement employees, judges, corporate executives, blue collar workers, and welfare recipients.

There are 18 clinics in Florida licensed for methadone maintenance. Duval County (Jacksonville) has the highest number of addicts admitted to narcotic treatment programs. However, Palm Beach, Dade, and Broward Counties have far more patients admitted to these programs who are addicted to substances other than heroin, such as Dilaudid and Percodan.

DEA Miami Field Division Profile

I would now like to briefly explain the organization and responsibilities of DEA's Miami Field Division.

The Miami Field Division has both domestic and foreign drug enforcement responsibilities. Because of these, we have eight Enforcement Groups, one Diversion Group, two Intelligence Groups, a Training Staff, and a Technical Operations Group based in Miami.

We have Resident Offices located in the following Florida cities: Ft. Lauderdale, Ft. Myers, Gainesville, Jacksonville, Marathon, Orlando, Panama City, Tampa, and West Palm Beach. We also have responsibility for the San Juan, Puerto Rico District Office, and Country Offices located in Kingston, Jamaica; Nassau, Bahamas; and Santo Domingo, Dominican Republic.

The South Florida Joint Task Force has five Enforcement Groups under the supervision of a Miami Field Division Assistant Special Agent in Charge.

The Miami Field Division has assigned to it:

- 240 Special Agents;
- 13 Diversion Investigators (8 in Miami, and 5 in San Juan);

- 14 Intelligence Specialists (12 in Miami of whom 2 are permanently assigned to NNBIS, and 2 in San Juan); and
- 95 Technical/Professional/Administrative Support Personnel.

Drug trafficking within this Division's jurisdictional boundaries is, unfortunately, aided by natural geographic features. The general topography and geographic location of Florida, the Bahamas, Jamaica, and the Dominican Republic are ideal for both air and marine smuggling. Florida has many miles of isolated flat terrain, farms, ranches and citrus groves where general aviation aircraft can land to offload or jettison cargo to waiting ground crews. Many of the 300 registered landing strips located throughout Florida are unattended after sundown. Air smugglers who fly at low altitude to evade radar use these strips with little fear of detection.

I would now like to speak of the drug trafficking situation in the Miami Field Division as it relates to specific drugs.

Cocaine

The single most significant factor impacting on international cocaine traffic during the past several years has been the oversupply of coca products followed by the attendant price reductions. This oversupply is the result of the addition of new acreage under cultivation in southeast Colombia and the expanded production capacity in Bolivia and Peru. Coca yields in these source countries are expected to continue to increase.

The increased cocaine HCl production, however, will not be directed solely at the United States market. The abuse of cocaine has risen dramatically in Western Europe during the past several years and the Colombian traffickers are striving to increase their market there.

Cocaine prices have risen moderately recently, which we believe is caused by the increasing operating costs of traffickers due to expanded Colombian enforcement. However, overall prices compared to past years are considerably lower.

Basically, air and maritime smuggling operations continue to flourish with certain innovative changes.

First, there has been more utilization of the difficult-to-detect hidden compartments in both commercial and private vessels and aircraft, and, second, we have seen an increase in the use of sea-going tugs. Larger cocaine shipments also dominated in FY 85, with Colombian and Cuban traffickers using Haiti and the Dominican Republic more frequently as staging and transshipment points even as they continue to utilize the Bahamas and Puerto Rico. Air drops and nighttime landings in isolated rural areas continue in Florida.

Cocaine seizures continue to mount. The Miami Field Division has seized 17,000 pounds of cocaine during the first four months of FY 86, compared to 7,000 pounds seized during the same period of FY 85. Purity levels remain high, ranging from 62 to 85 percent.

Clandestine Laboratories

Clandestine cocaine conversion labs continue to operate although, fortunately, they have moved from densely populated residential areas to isolated rural areas in South, Southwest and Central Florida. Several laboratories under investigation at present utilize guard dogs for their security system. One conversion

lab that was seized recently did have peripheral video cameras mounted on fences, as well as attack dogs.

A total of 19 cocaine conversion labs were seized during FY 85, as compared to 20 during FY 84. The major problem encountered by law enforcement in combating clandestine lab activity is that the precursor chemicals and other essential items required to manufacture drugs are not controlled. Industry compliance with DEA's precursor and equipment liaison program is essentially voluntary. Piperidine, an essential precursor for PCP, is the sole exception. With the enactment of Public Law 95-633, industry compliance in reporting piperidine orders is mandatory.

DEA has initiated an operation to monitor all ether orders. The Miami Field Division has seized over 220 metric tons of ether since the start of this monitor program. There are numerous problems with handling and destruction of this volatile substance.

Colombia has also increased enforcement on shipments of ether into its country. Through chemical sales liaison, Special Agents have learned that traffickers have turned to other chemicals for the cocaine conversion process, such as n-butyl acetate.

Cocaine recently analyzed at the DEA Southeast Laboratory has documented more use of methyl ethyl ketone and other solvents.

About half the cocaine seized at the end of 1985 in Florida contained benzene, a cancer-causing chemical that can result in leukemia and genetic damage in humans. We are awaiting results of a study from the Center for Disease Control on an assessment of the health hazards to individuals who use cocaine that contains benzene.

In addition to cocaine conversion labs, one amphetamine and three PCP labs were seized in this Division.

Marijuana

Marijuana seizures in the Miami Field Division were down slightly from more than 1.9 million pounds seized in FY 84 to more than 1.5 million pounds seized in FY 85. During FY 85, seizures ranged from 100 pounds to over 64,000 pounds with a norm of about 2,500 pounds.

Colombian officials are conducting a vigorous herbicidal marijuana eradication program. A systematic overflight of Colombia has been completed, and initial

estimates indicate that fewer cultivation areas are producing marijuana. Firm figures for hectares eradicated and hectares under cultivation will be available in the very near future.

Mexico is a great unknown. Large cultivation areas destroyed by earlier enforcement programs are now back in production. These large, plantation-style operations have the capability of producing several hundred-ton yields.

The more expensive and preferred domestic marijuana is the target of a vigorous eradication effort in Florida. DEA and the Florida Department of Law Enforcement (FDLE) work quite closely on this program. FDLE follows up the destruction with prosecution of the growers.

Heroin

On occasion, heroin is seized at ports of entry within the Miami Field Division. Heroin encountered during enforcement operations has been brought into the area by distributors from their sources in Arizona, New Mexico, Atlanta, New York, Chicago and, occasionally, Los Angeles.

Currently, we are encountering both white and brown heroin in Miami and Jacksonville. Brown heroin is available in ounce quantities for $2,000 to $2,500 at two to nine percent purity, and white heroin is available at $7,000 to $11,000 per ounce. Analysis from one investigation indicates that the violators are baking the heroin to turn it brown to satisfy their customers. This baking process reduces the purity levels. Multi-ounce quantities at 70 percent purity have been offered at $6,000 per ounce. These same violators offered the undercover agents kilogram quantities, later analyzed at 58 percent purity, for $230,000.

One Miami investigation involves undercover negotiations with a Colombian trafficker who states he can provide kilogram quantities at $50,000 per kilo. This investigation is being conducted in concert with DEA/Bogota and local Colombian police, who are attempting to locate the laboratory and identify key members of the organization.

Operation BAT

In March 1982, DEA, through the U.S. Embassy in the Bahamas proposed to the Bahamian Government a

collaboration of law enforcement agencies of the United States and those of the Bahamas and Turks and Caicos Islands. This cooperative effort was designed to interdict and disrupt the narcotics network that was using the islands as launch points into the United States.

Operation BAT is an example of bilateral, multi-agency cooperation. Based in Nassau, Bahamas, Operation BAT receives real-time intelligence from DEA, Coast Guard, U.S. Customs, and other sources about smuggling operations. Operation BAT then launches response teams to air drop sites, air strips, stash sites, off-load sites, etc. The response teams are comprised of Bahamian police officers, accompanied by a DEA agent, who are transported by a U.S. Air Force helicopter. Operation BAT is, on occasion, supplemented by U.S. Army helicopters and personnel.

Similarly, Turks and Caicos law enforcement officers have operated in their islands, as their Governments have approved participation in the operation. This effort has made a substantial impact on the disruption of the drug trade.

However, this trade has not been stopped but, rather, has been modified in its character. Maritime

means of smuggling marijuana has shifted from larger boats to smaller craft. Even within the aircraft trade, emphasis has shifted from larger aircraft to smaller aircraft. The number of "entrepreneurs" or self-employed traffickers has grown. Some of the entrepreneurs have been persistent and innovative in their tactics which, in turn, has required law enforcement to change its efforts from time to time.

Operation BAT generally uses U.S. radar to observe the flight of trafficker aircraft which leave Colombia and Jamaica. U.S. Customs aircraft identify and pursue these aircraft to drop zones in the Western Bahamas. We then must deliver Strike Force police at the time and point of delivery. This is difficult in the best of circumstances, but we have had promising results.

Colombian Traffickers

I would like to conclude with an overview of drug trafficking organizations.

In the workday world of narcotics trafficking, small operations have neither the power nor the resources to make a lasting impression on the market, although a small number do eventually go on to achieve some degree of success.

As in many legitimate industries, power and resources come with size. The clandestine cocaine traffic in Colombia is a quasi-industry which is dominated now by a cartel. This cartel was formed several years ago by the heads of the major trafficking families in an effort to control the out-of-hand violence and to cut down operational expenses by pooling resources.

Despite their size, however, only the upper echelons of these operations are actually involved in directing and financing the group's multi-faceted trafficking activities. This helps insulate the principals from compromise or immobilization by law enforcement while simultaneously concentrating wealth and influence in their hands.

Many of the specialized talents and services not possessed by the core members of the group are often obtained from independent operators or specialists who work for various trafficking organizations rather than with one organization in particular.

Among the many types of operatives who may be employed by large trafficking organizations are the following:

- An individual or group who specialize in the procurement of coca paste or cocaine base; in the smuggling and delivery of paste or base loads; and/or in the stockpiling of loads of paste or base prior to processing.

- An individual or group of individuals who specialize in cocaine processing at clandestine laboratory sites.

- An individual or group of individuals who act as "brokers" or "go-betweens." They do not buy or sell commodities, but concentrate on assisting dealers in making connections with other dealers or entrepreneurs.

- An individual or group of individuals who specialize in arranging and providing: various sorts of transportation; legal services, false identification and other official documents for national and international travel; couriers or other means to smuggle narcotics; travel needs; financing of various sorts; money moving and laundering facilities, among other services.

Virtually the entire spectrum of criminal activity is accessible to trafficking groups in need of a special

skill or talent on a permanent or temporary basis. As trafficking groups become more affluent and entrenched, they are able to employ more and more sophisticated talent, thus branching into areas not previously associated with their clandestine activities.

The wealth and influence of Colombian trafficking groups is largely due to this versatility and flexibility of their composition, as alluded to above. This makes them formidable opponents.

Conclusion

I have attached tables showing drug removal and arrest totals from the Miami Field Division of DEA for FY 85 and years past.

The Miami Field Division had record seizures in FY 85 for heroin and cocaine, seizing more than twice as much of those drugs as in FY 84.

Our marijuana seizures were down over FY 84 totals, which mirrors the national seizure rates. Since the eradication efforts in the United States and source countries, notably Colombia, began, many thousands of tons of cannabis have been eradicated before reaching

the marketplace. Source and transit countries have eliminated other marijuana through interdiction and enforcement activities.

Agreements with foreign countries to limit methaqualone chemical exports to the United States have contributed to the drastic reduction of removal figures for this drug.

Our FY 85 arrests of Class I and II violators increased by 31 percent over FY 84 figures, which means we are arresting more of the ringleaders and chief traffickers.

While DEA has made great strides in enforcement, we must recognize the flow of drugs into Florida is still a major problem. Drug traffickers can be ingenious in protecting the flow of drugs and can devise new sources for drugs and new trafficking routes when necessary. So our work does not decrease, but moves into new areas of investigation.

Mr. Chairman, I appreciate this Committee's interest in our drug enforcement progress in Florida. I will be pleased to answer any questions you may have.

Thank you.

DEA

MIAMI FIELD DIVISION

DRUG REMOVALS

FY 1980 - FY 1986

	HEROIN (pounds)	COCAINE (pounds)	CANNABIS (pounds)	METHAQUALONE (dosage units)	OTHER (dosage units)
FY 1986 (4 Mos.)	5.5	17,606.5	546,471.5	-0-	693,871
FY 1985	32.6	50,221.5	1,551,809.1	143,545	4,211,099
FY 1984	15.8	21,511.5	1,948,446	14,259,634	1,471,801
FY 1983	1.4	12,232.4	1,715,890	714,549	680,227
FY 1982	12.2	6,565.0	2,407,370	1,527,553	1,007,557
FY 1981	2.5	4,012.6	2,503,756	9,773,624	445,506
FY 1980	5.4	4,940.4	873,540	15,772,568	187,376

MIAMI FIELD DIVISION

ARRESTS

	C1-1 & C1-2	C1-3 & C1-4
FY 1980	250	1,080
1981	423	1,456
1982	361	1,996
1983	414	1,610
1984	552	1,922
1985	723	1,679
1986 (4 Months)	229*	428**

*163 Cocaine Violators

**238 Cocaine Violators

U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

TESTIMONY OF JOSEPH V. CORLESS

SPECIAL AGENT IN CHARGE

MIAMI DIVISION, FBI, BEFORE

SELECT COMMITTEE ON NARCOTICS

ABUSE AND CONTROL HOUSE OF REPRESENTATIVES

MIAMI, FLORIDA

MAY 16, 1986

MR. CHAIRMAN AND MEMBERS OF THE SELECT COMMITTEE, AS WE ARE ALL PAINFULLY AWARE, TRAFFICKING IN NARCOTICS IN THE UNITED STATES IS VIEWED AS THE NATION'S MOST SIGNIFICANT CRIMINAL PROBLEM. AS A SOCIAL PROBLEM, NARCOTICS ABUSE HAS BEEN RECOGNIZED AS A CRITICAL THREAT TO THE GENERAL WELFARE OF THIS NATION. THE BODY OF AVAILABLE PUBLIC TESTIMONY ON THE SUBJECT MATTER BEARS OUT THE FACT THAT DRUG USE AND DRUG TRAFFICKING HAVE PERMEATED ALL WALKS OF LIFE AND KNOW OF NO BOUNDARIES IN TERMS OF ECONOMIC OR SOCIAL STANDING. THIS REPRESENTS A GREAT CHALLENGE FOR U. S. LAW ENFORCEMENT AND ESPECIALLY FOR FEDERAL, STATE AND LOCAL AUTHORITIES IN SOUTH FLORIDA, WHERE APPROXIMATELY 70% OF THE COCAINE AND MARIJUANA ENTER INTO THE UNITED STATES.

THIS CHALLENGE IS BEING ADDRESSED BY LAW ENFORCEMENT AGENCIES THROUGH INTERDICTION, INVESTIGATION, ARRESTS AND PROSECUTION. EVEN PRIOR TO JANUARY 28, 1982, WHEN THE ATTORNEY GENERAL DELEGATED TO THE FBI CONCURRENT JURISDICTION WITH THE DRUG ENFORCEMENT ADMINISTRATION TO INVESTIGATE VIOLATIONS OF THE COMPREHENSIVE DRUG ABUSE PREVENTION AND CONTROL ACT OF 1970, THE MIAMI DIVISION OF THE FBI HAD MADE A SUBSTANTIAL COMMITMENT TO COMBAT NARCOTICS-RELATED CRIMES.

IN THE LAST FOUR YEARS OUR COMMITMENT OF MANPOWER AND EQUIPMENT HAS EXPANDED DRAMATICALLY. OUR OBJECTIVES HAVE BEEN TO DEVELOP PROSECUTABLE CASES AGAINST MAJOR CRIMINAL ORGANIZATIONS, INCLUDING COLOMBIAN DRUG CARTELS, MEMBERS OF THE LA COSA NOSTRA AND OTHER SIGNIFICANT LATIN AMERICAN DRUG CARTELS OPERATING WITHIN THIS DIVISION. ANOTHER OBJECTIVE OF OUR PROGRAM IS TO FULLY IDENTIFY AND TRACE ILLEGAL PROCEEDS GENERATED BY MAJOR

NARCOTICS ORGANIZATIONS WITH THE ULTIMATE GOAL OF SEIZING AND OBTAINING COURT ORDERED FORFEITURES. WE ARE ACQUIRING AN ACCURATE AND CURRENT INTELLIGENCE BASE THROUGH INFORMANTS, COOPERATING WITNESSES AND SHARING AVAILABLE INTELLIGENCE WITH DEA AND OTHER LOCAL, STATE AND FEDERAL AGENCIES.

IN DECEMBER, 1984, THE MIAMI DIVISION INSTITUTED A NARCOTICS TRAFFICKING TARGET IDENTIFICATION PROGRAM FOR THE PURPOSE OF SYSTEMATICALLY COLLECTING INTELLIGENCE CONCERNING KNOWN AND SUSPECTED MEMBERS AND ASSOCIATES OF COLOMBIAN AND OTHER SOUTH AMERICAN NARCOTICS TRAFFICKING ORGANIZATIONS. THIS EFFORT IS CURRENTLY IDENTIFYING INTERNATIONAL CLANS AND THEIR BASE AND METHOD OF OPERATION, SUPPLY AND DISTRIBUTION ROUTES, FINANCIAL HOLDINGS AND OTHER SIGNIFICANT INVESTIGATIVE INFORMATION. THIS PROGRAM IS BEING DEVELOPED IN CONJUNCTION WITH DEA IN ORDER TO INSURE THE MOST EFFICIENT USE OF RESOURCES AND THE MOST EFFECTIVE USE OF THE INFORMATION GATHERED.

THIS IDEA OF IDENTIFYING TARGETS AND THEN DIRECTING RESOURCES IS NOT A NEW ONE. IT IS AN ACCOMPLISHED METHOD WITHIN THE TRADITIONAL ORGANIZED CRIME PROGRAM. AT PRESENT WE HAVE IDENTIFIED A NUMBER OF SEPARATE ORGANIZATIONS OPERATING IN SOUTH FLORIDA, AND SIGNIFICANT INVESTIGATIONS ARE BEING CURRENTLY PURSUED.

FOR EXAMPLE, A RECENTLY CONCLUDED FBI INITIATED INVESTIGATION INVOLVING A MAJOR NARCOTICS IMPORTATION NETWORK RESULTED IN THE SEIZURE OF OVER 14 MILLION DOLLARS IN NARCOTICS AS WELL AS AUTOMOBILES AND BOATS, AND THE INVESTIGATION ALSO ENABLED IRS TO SEIZE OVER $10,000,000 IN ASSETS TO SATISFY A

$12,000,000 JEOPARDY ASSESSMENT. ELECTRONIC SURVEILLANCE WAS TERMINATED IN THIS INVESTIGATION IN ORDER TO ARREST THE SUBJECTS AFTER AN OVERHEAR OF PLANS TO KILL ONE OF THE FBI SOURCES. THIS ORGANIZATION IS BELIEVED RESPONSIBLE FOR MULTIPLE HOMICIDES IN CONNECTION WITH THEIR NARCOTICS ACTIVITIES.

ANOTHER MIAMI CASE RESULTED IN THE SEIZURE OF 845 POUNDS OF COCAINE AND THE CONVICTION OF SEVERAL INDIVIDUALS CONNECTED WITH A MAJOR COLOMBIAN SMUGGLING ORGANIZATION.

AN EXAMPLE OF A RECENT JOINT INVESTIGATION USING DEA AND FBI RESOURCES TOGETHER FOCUSED ON THE GOMEZ-ZAPATA FAMILY OF BARRANQUILLA, COLOMBIA, RESULTING IN 64 INDICTMENTS FOR IMPORTING METHAQUALONE IN BULK POWDER FORM AND IN THE FORM OF COUNTERFEIT QUAALUDE TABLETS. AGENTS IDENTIFIED 24 SHIPMENTS TOTALING APPROXIMATELY 54 TONS HAVING BEEN IMPORTED OR INTENDED FOR IMPORTATION INTO THE UNITED STATES. IN MIAMI, AGENTS SEIZED APPROXIMATELY 5½ MILLION METHAQUALONE TABLETS, ONE TON OF METHAQUALONE POWDER AND A PILL PRESS. THIS JOINT INVESTIGATION HAS HAD A SIGNIFICANT IMPACT ON THE ILLICIT WORLD-WIDE DISTRIBUTION OF METHAQUALONE, WHICH HAS NOW ALMOST DISAPPEARED FROM THE ILLEGAL NARCOTICS MARKET.

MR. CHAIRMAN, THE MIAMI DIVISION'S CLOSE WORKING RELATIONSHIP WITH OTHER FEDERAL, STATE AND LOCAL AUTHORITIES WAS ENHANCED IN OCTOBER, 1984, WITH THE CREATION OF THE 13TH ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCE WITH MIAMI AS CORE CITY. THERE WERE 22 FBI AGENTS ADDED TO THE MANPOWER OF THE MIAMI DIVISION TO AID THE TASK FORCE.

A RECENT EXAMPLE OF THIS MULTI-AGENCY COOPERATION OCCURRED ON FEBRUARY 24, 1986, WHEN AGENTS, UTILIZING SHARED INTELLIGENCE INFORMATION, SPOTTED TRASHBAGS BEING UNLOADED FROM A 45 FOOT YACHT DOCKED BEHIND AN EXPENSIVE HOME ON MIAMI BEACH, FLORIDA. AGENTS OF THE FBI, DEA, MIAMI POLICE DEPARTMENT, MIAMI BEACH POLICE DEPARTMENT, U. S. CUSTOMS AND ALCOHOL, TOBACCO AND FIREARMS, STOPPED TWO VEHICLES TRYING TO FLEE THE RESIDENCE, AND ARRESTED THREE INDIVIDUALS AND SEIZED 190 KILOS OF COCAINE.

IN THE LAST TWO FISCAL YEARS, MR. CHAIRMAN, THE MIAMI DIVISION HAS PRODUCED 234 NARCOTICS/ORGANIZED CRIME-RELATED INDICTMENTS AND APPROXIMATELY 150 CONVICTIONS. OF COURSE, THESE STATISTICS DO NOT REVEAL THE EXTENSIVE NUMBER OF CONVICTIONS OBTAINED IN OTHER PARTS OF THE COUNTRY WHICH WERE BASED ON INVESTIGATIONS DONE BY THE MIAMI DIVISION. THE MIAMI OFFICE EXPENDS CONSIDERABLE MANPOWER AND RESOURCES IN AIDING THE INVESTIGATIVE EFFORTS OF OTHER FBI OFFICES.

THE MIAMI DIVISION IS ATTEMPTING TO MAXIMIZE USE OF THE FORFEITURE PROVISIONS OF THE CONTROLLED SUBSTANCES ACT. SINCE AUGUST 1983, WE HAVE SEIZED AIRPLANES, BOATS, VEHICLES, CASH AND PERSONAL PROPERTY VALUED IN THE MULTI-MILLION DOLLAR RANGE. MANY OF THESE ASSETS HAVE ALREADY BEEN FORFEITED TO THE U. S. GOVERNMENT.

WE COULD EASILY PUT ALL OF OUR MANPOWER INTO NARCOTICS INVESTIGATIONS, BUT OF COURSE WE WOULD NOT THEN BE FULFILLING OUR RESPONSIBILITIES IN OVER 200 OTHER FEDERAL VIOLATIONS. OUR INVESTIGATIONS IN OTHER AREAS OF RESPONSIBILITY OFTEN PRODUCE INFORMATION CONCERNING NARCOTICS TRAFFICKING. AN EXAMPLE, MR.

CHAIRMAN, OF A CASE WHICH BEGAN IN AN AREA OTHER THAN NARCOTICS WAS AN FBI UNDERCOVER OPERATION IN MIAMI OF A PLANNED ASSASSINATION IN A FOREIGN COUNTRY. THIS CULMINATED IN NOVEMBER, 1984, WITH THE ARREST OF 8 INDIVIDUALS, 3 OF WHOM WERE CHARGED WITH PLOTTING TO ASSASSINATE THE PRESIDENT OF HONDURAS. THIS PLOT WAS TO BE FINANCED FROM THE SALE OF 345 KILOS OF COCAINE WHICH HAD BEEN SHIPPED TO FLORIDA AND WAS SEIZED BY AGENTS AT THE TIME OF THE ARRESTS.

THE MIAMI DIVISION HAS NOTED AN INCREASED UPSWING IN SOPHISTICATION ON THE PART OF DRUG SMUGGLERS, IN THAT THEY ARE CURRENTLY USING SUITCASE TELEPHONES, PORTABLE COMPUTERS, BEEPERS, RECORDING DEVICES AND THE BEST EQUIPMENT THAT MONEY CAN BUY TO AID THEIR NARCOTICS BUSINESSES. THIS EQUIPMENT ALSO INCLUDES HIGH POWERED WEAPONS, INCLUDING SEMI-AUTOMATIC AND AUTOMATIC WEAPONS WHICH THEY HAVE NOT HESITATED TO USE AGAINST LAW ENFORCEMENT OFFICERS IN SOUTH FLORIDA.

MR. CHAIRMAN, DESPITE ALL OF OUR EFFORTS AND SUCCESSES IN THE NARCOTICS AREA, THIS CANNOT STEM THE FLOOD CAUSED BY THE HEAVY DEMAND FOR COCAINE AND MARIJUANA BY LEGIONS OF USERS. INTERDICTION, INVESTIGATION AND PROSECUTION OF THE SUPPLIERS CAN ONLY REMEDY A SMALL PART OF THE PROBLEM. EDUCATION AND COMMUNITY INVOLVEMENT IS ABSOLUTELY ESSENTIAL TO BRING ATTENTION TO THIS HORRENDOUS PROBLEM. FOR EXAMPLE, RECENTLY IN MIAMI, GRASS ROOTS COMMUNITY PEOPLE DECLARED MARCH 12, 1986, RED RIBBON DAY. RED RIBBONS WERE HUNG FROM BUILDINGS, AUTOS AND JACKET LAPELS IN AN EFFORT TO BRING ATTENTION TO THE FACT THAT THE WHOLE COMMUNITY HAS TO BE INVOLVED IN ORDER TO BRING PEER PRESSURE TO

STOP THE USERS. WITH WIDE SPREAD PUBLICITY ABOUT THE ADVENT OF VOLUNTARY AND INVOLUNTARY DRUG TESTING BY EMPLOYERS AND THE HEALTH HAZARDS OF DRUG USE, THE AWARENESS NEEDED TO STOP THE DEMAND HAS BEGUN. IT IS THE DEMAND FOR NARCOTICS, NOT THE SUPPLY, THAT FUELS THE NARCOTICS TRAFFICKERS. I CONTINUE TO FIRMLY BELIEVE THAT AGGRESSIVE, WELL FUNDED EDUCATIONAL PROGRAMS ARE THE NEEDED INGREDIENT TO BLEND WITH LAW ENFORCEMENT TO BEGIN TO CURB THE DEMAND FOR NARCOTICS.

STATEMENT

OF

REAR ADMIRAL RICHARD P. CUERONI

COMMANDER, SEVENTH COAST GUARD DISTRICT

BEFORE THE

HOUSE SELECT COMMITTEE ON

NARCOTICS ABUSE AND CONTROL

MAY 16, 1986

Biographical Sketch
U.S. Coast Guard

REAR ADMIRAL RICHARD PAUL CUERONI
UNITED STATES COAST GUARD
COMMANDER, SEVENTH COAST GUARD DISTRICT

Rear Admiral Cueroni assumed duty as Commander, Seventh Coast Guard District in May 1984.

A 1953 graduate of the United States Coast Guard Academy, Admiral Cueroni has served on seven ships in the Atlantic, Pacific , Caribbean and Alaska, commanding four of them. His shore assignments have been in the field of general operations, personnel and training. He served overseas as an advisor to the Haitian Coast Guard. His most recent assignment was as Chief, Office of Personnel, Coast Guard Headquarters, Washington, D.C.

Admiral Cueroni is a 1965 graduate of the Armed Forces Staff College and a 1976 Distinguished Graduate of the Industrial College of the Armed Forces.

His military awards include the Legion of Merit, Meritorious Service Medal, Commendation Medal and Commandant's Letter of Commendation, with gold star.

Admiral Cueroni is married to the former Elizabeth Hilborn of West Hartford, Connecticut. They have five children, Robin, Nancy, Donna, Cheryl and Richard Jr.

I. INTRODUCTION

MR CHAIRMAN, MEMBERS OF THE COMMITTEE, I AM REAR ADMIRAL RICHARD P. CUERONI, THE COMMANDER OF THE SEVENTH COAST GUARD DISTRICT WITH HEADQUARTERS IN MIAMI, FLORIDA. I AM ALSO THE COORDINATOR OF THE SOUTHEAST REGION OF NNBIS, THE NATIONAL NARCOTICS BORDER INTERDICTION SYSTEM, AND THE HEAD OF THE VICE PRESIDENT'S SOUTHEAST FLORIDA TASK FORCE. IT'S MY PLEASURE TO APPEAR BEFORE YOU TODAY. I WILL LIMIT MY REMARKS TO INCLUDE A DISCUSSION OF THE COAST GUARD'S INVOLVEMENT IN LAW ENFORCEMENT OPERATIONS IN THE SOUTHEAST U.S. AND THE CARIBBEAN BASIN, MY INVOLVEMENT IN THE VICE PRESIDENT'S SOUTH FLORIDA TASK FORCE AND NNBIS AND FINALLY MY PERCEPTIONS OF HOW THE GRAMM-RUDMAN LEGISLATION WILL IMPACT ON DRUG INTERDICTION EFFORTS IN THE SOUTHEAST UNITED STATES.

THE SEVENTH DISTRICT, COVERING SOME 1.8 MILLION SQUARE MILES, 1600 MILES OF COASTLINE AND TWENTY-FOUR COUNTRIES, IS THE BUSIEST COAST GUARD DISTRICT IN TERMS OF LAW ENFORCEMENT, SEARCH AND RESCUE, AND THE INTERDICTION OF ILLEGAL MIGRANTS. WHILE IT IS DIFFICULT TO QUANTIFY THE EXACT AMOUNT OF CONTRABAND ENTERING THE SOUTHEAST U.S., INTELLIGENCE ESTIMATES INDICATE THAT THE VAST MAJORITY OF ILLICIT MARIJUANA AND COCAINE TRAFFIC, BY BOTH AIR AND SEA, PASSES THROUGH THE SEVENTH DISTRICT'S AREA OF OPERATIONAL RESPONSIBILITY. OUR AIRCRAFT AND VESSELS, ASSISTED BY ADDITIONAL COAST GUARD RESOURCES FROM OTHER DISTRICTS ON THE GULF AND ATLANTIC COAST, ARE HEAVILY COMMITTED TO AIR AND SURFACE OPERATIONS TO INTERDICT AND DISRUPT MARITIME DRUG OPERATIONS. WE HAVE IN PLACE A WIDE ARRAY OF ASSETS AND PERSONNEL TO PROSECUTE THESE PROGRAMS. THEY RANGE FROM SMALL COASTAL STATIONS OPERATING UTILITY BOATS TO MAJOR CUTTERS AND SOPHISTICATED AIRCRAFT WHICH RANGE FAR OFFSHORE INTO THE SOUTH CARIBBEAN, GULF OF MEXICO, AND ATLANTIC OCEAN.

II. THE MARITIME THREAT

THE ENTRY POINT FOR MOST MARIJUANA AND COCAINE IS FLORIDA AND, TO A LESSER EXTENT, OTHER LOCATIONS ALONG THE NORTHEAST ATLANTIC AND GULF COASTS. THIS MARITIME THREAT IS A REAL AND PRESENT DANGER TO BOTH THE HEALTH OF THIS NATION AND OUR NATIONAL SECURITY. THE PRIMARY POINTS OF ORIGIN FOR MARITIME TRAFFIC IN MARIJUANA AND COCAINE LIE ALONG THE NORTHERN COAST OF COLOMBIA, ESPECIALLY IN THE VICINITY OF THE GUAJIRA PENINSULA. JAMAICA AND MEXICO AS WELL AS CENTRAL AMERICAN COUNTRIES SUCH AS BELIZE ARE ALSO SOURCES OF MARITIME MARIJUANA SMUGGLING. IN THE TYPICAL SCENARIO, BULK CARGOES OF MARIJUANA ARE LOADED INTO A WIDE VARIETY OF VESSELS, RANGING IN SIZE FROM SMALL FISHING VESSELS TO COASTAL AND OCEANGOING FREIGHTERS. CARGO MAY BE LATER TRANSFERRED AT SEA TO SMALLER CONTACT VESSELS WHICH WILL CARRY IT TO THE FINAL DESTINATION. WE CALL THE VESSELS WHICH CARRY THESE LARGE LOADS (AVERAGING ABOUT 12 TONS) "MOTHERSHIPS." THESE LOADS EVENTUALLY ARRIVE OFF OUR SHORES WHERE THE TASK OF INTERCEPTING THEM IS COMPLICATED BY THE DISPERSAL INTO A LARGE NUMBER OF SMALL, FAST BOATS MOVING TO VARIOUS DESTINATIONS. WE WORK CLOSELY WITH OTHER FEDERAL AGENCIES AS WELL AS STATE AND LOCAL ENFORCEMENT AUTHORITIES TO COORDINATE OUR EFFORTS IN THE COASTAL ZONE. WE ARE CONTINUALLY DEVELOPING PLANS FOR JOINT OPERATIONS AND COMMUNICATIONS AND HAVE RECENTLY CONDUCTED SEVERAL SUCH OPERATIONS.

THE ROUTE SELECTION OF THE MARITIME SMUGGLER IS LIMITED BY GEOGRAPHY TO A TRANSIT OF THE YUCATAN CHANNEL, THE WINDWARD PASSAGE, THE MONA PASSAGE OR THE ANEGADA PASSAGES. A LIMITED NUMBER OF VESSELS ATTEMPT TO AVOID THESE CHOKEPOINTS BY TRANSITING THE EASTERN CARIBBEAN FOR AN ULTIMATE OFFLOAD POINT

ALONG THE MID-ATLANTIC OR NEW ENGLAND SEABOARDS. MANY VESSELS, INCLUDING SOME OF THOSE TRANSITING THE EASTERN CARIBBEAN, HEAD FOR THE BAHAMAS, FLORIDA OR THE GULF COAST. THE FOUR NATURAL CHOKEPOINTS OF THE GREATER ANTILLES REPRESENT OUR MAIN LINE OF DEFENSE AND ARE AN IDEAL LOCATION FOR THE CONCENTRATION OF OUR SURFACE INTERDICTION CUTTERS. OUR STRATEGY IS BASED UPON MAXIMIZING THE EFFECTIVENESS OF OUR AVAILABLE CUTTER RESOURCES BY INTERDICTING MOTHERSHIPS BEFORE THEY OFFLOAD TO CONTACT BOATS. SINCE IT IS IMPOSSIBLE TO TOTALLY BLOCKADE THE MAJOR CHOKEPOINTS ON A CONTINUING BASIS TO DENY THEIR USE TO SMUGGLERS DUE TO THE PRESENCE OF THE TERRITORIAL WATERS OF HAITI, CUBA, THE DOMINICAN REPUBLIC, AND MEXICO, WE HAVE OPTED FOR A MOBILE CONCEPT OF ROVING PATROLS INTO AND OUT OF THE CHOKEPOINTS TO MAXIMIZE THE EFFECTIVENESS OF OUR COVERAGE. WHILE MAINTAINING AS MUCH OF A PRESENCE AS IS OPERATIONALLY FEASIBLE IN THE CHOKEPOINTS, OUR CUTTERS ALSO PATROL THROUGHOUT THE BAHAMAS AND RANGE INTO THE SOUTHERN CARIBBEAN. OUR TACTICS ARE DESIGNED TO TAKE MAXIMUM ADVANTAGE OF THE CHOKEPOINTS WHILE KEEPING THE SMUGGLER OFF BALANCE AND UNABLE TO ANTICIPATE OUR ACTIONS. WE STRIVE TO MAKE THE MARITIME SMUGGLER UNSURE OF HIS ENVIRONMENT AND VULNERABLE TO INTERDICTION THROUGHOUT HIS TRANSIT FROM ORIGIN TO DESTINATION. OUR RESOURCES MAY BE EMPLOYED SINGLY, IN SMALL GROUPS, OR IN LARGE TASK UNITS.

AN INDISPENSABLE COMPONENT OF OUR OVERALL STRATEGY TO ACHIEVE MAXIMUM EFFICIENCY FOR OUR PATROLLING CUTTERS IS THE AVAILABILITY OF AIR SURVEILLANCE. LONG AND MEDIUM RANGE FIXED WING AIRCRAFT, WITH THEIR ABILITY TO SEARCH LARGE AREAS, SUPPOR SURFACE UNITS BY DETECTING AND IDENTIFYING SUSPECT VESSELS AND MONITORING T R POSITIONS UNTIL A CUTTER CAN BE VECTORED TO THE SCENE TO CONDUCT A B ING. OUR AIRCRAFT ROUTINELY FLY SURVEILLANCE MISSIONS IN THE STRAITS OF F RIDA, ALONG THE BAHAMAS, IN THE VICINITY OF THE CHOKEPOINTS AND IN THE SOUTHER CARIBBEAN. ALSO, THE USE OF HELICOPTERS ABOARD OUR PATROLLING CUTTERS RESULTS IN A MARKED INCREASE IN THEIR EFFECTIVENESS.

A RECENT EXAMPLE OF THE INCREASING SUCCESS OF OUR TACTICS IS OPERATION HUNTER WHICH SAW OUR FORCES AND THOSE OF THE NAVY MOVING THROUGH THE BAHAMAS AND THE CHOKEPOINTS INTO THE SOUTHERN AND EASTERN CARIBBEAN TO THE VERY COAST OF THE GUAJIRA PENINSULA OF COLOMBIA AND VENEZUELA. AS PART OF THE OVERALL JOINT INTER-AGENCY OPERATION, "HAT TRICK II", COORDINATED BY THE NATIONAL NARCOTICS BORDER INTERDICTION SYSTEM (NNBIS), HUNTER SUCCESSFULLY BOTTLED UP MARITIME SMUGGLERS IN COLOMBIAN PORTS WHILE COLOMBIAN GROUND FORCES MADE SWEEPS THROUGH VARIOUS GROWING AND STORAGE AREAS. AS A RESULT OF THIS JOINT EFFORT PERHAPS AS MUCH AS HALF OF THE FALL HARVEST HAS BEEN DESTROYED. THIS YEAR'S HARVEST WAS ALREADY SIGNIFICANTLY REDUCED AS A RESULT OF THE SUCCESS OF WAGONWHEEL, AN OPERATION ENCOMPASSING THE SAME TACTICAL APPROACH AS HUNTER CONDUCTED IN THE FALL OF 1984.

A NEW ELEMENT OF THE MARITIME THREAT IS THE INCREASED SHIPMENT OF COCAINE BY VESSEL. THESE COMPACT, HIGH VALUE SHIPMENTS ARE READILY CONCEALED ON A VESSEL AND ARE EASILY DISPOSED OF AT SEA. AS WE APPROACH VESSELS ON THE HIGH SEAS, WE HAVE OBSERVED WHAT WE BELIEVE TO BE COCAINE BEING JETTISONED OVER THE SIDE. COCAINE IS APPARENTLY BEING SHIPPED BY SEA IN INCREASING QUANTITIES. THE MARITIME SMUGGLING OF COCAINE TAKES PLACE ON A WIDE VARIETY OF VESSELS RANGING FROM MARIJUANA SMUGGLING FISHING BOATS TO CARGO CONTAINER SHIPS AND LARGE PASSENGER LINERS. LOADS HAVE RANGED IN SIZE FROM CLOSE TO A TON TO A FEW POUNDS.

AS A RESULT OF OUR SUCCESS IN INTERDICTING VESSELS LADEN WITH LARGE CARGOES OF DRUGS ON THE HIGH SEAS AND IN THE CHOKEPOINTS, THERE HAS BEEN AN INCREASE IN THE USE OF AIRCRAFT TO SMUGGLE SMALLER LOADS. SOMETIMES FLIGHTS COME DIRECTLY INTO THE UNITED STATES BUT THEY MORE FREQUENTLY ARRIVE IN THE BAHAMAS FOR STORAGE OR DIRECT AIRDROP FOR A QUICK TRIP BY BOAT TO FLORIDA. THE GEOGRAPHIC FACTORS PRESENT IN THE BAHAMAS - A MYRIAD OF SMALL, FLAT, SPARSELY POPULATED ISLANDS SURROUNDED BY A LARGE EXPANSE OF SHALLOW WATER, LOCATED ONLY HOURS BY FAST BOAT AND MINUTES BY AIRCRAFT FROM THE UNITED STATES - MAKE THEM AN IDEAL STAGING AREA FOR SUCH SMUGGLING OPERATIONS AND MAKE THE SMUGGLING SITUATION IN SOUTH FLORIDA PARTICULARLY ACUTE. I AM HEARTENED BY THE FACT THAT WE HAVE CARRIED OUT SEVERAL COMBINED OPERATIONS WITH THE ROYAL BAHAMAIAN DEFENSE FORCE THAT HAVE ALLOWED US TO GATHER SIGNIFICANT INTELLIGENCE AND INTERDICT STOCKPILES OF CONTRABAND. DURING THESE OPERATIONS LAW ENFORCEMENT FORCES, INCLUDING THE DEA AND COAST GUARD, SEIZED IN EXCESS OF 88 TONS OF MARIJUANA AND 7,987 POUNDS OF COCAINE. ADDITIONALLY, WE NOW ROUTINELY OPERATE WITH BAHAMIAN LIAISON OFFICERS ABOARD COAST GUARD CUTTERS, VASTLY IMPROVING OUR ABILITY TO TAKE ACTION AGAINST VESSELS FOUND WITHIN THE BAHAMAS' TERRITORIAL SEAS.

ANOTHER LAW ENFORCEMENT OPERATION IN THE SEVENTH DISTRICT INVOLVES THE INTERDICTION OF ILLEGAL MIGRANTS ATTEMPTING ENTRY INTO THE U.S. THESE ARE PRINCIPALLY HAITIANS COMING DIRECTLY FROM HAITI, AND A VARIETY OF NATIONALITIES - INCLUDING HAITIANS - COMING FROM THE BAHAMAS INTO THE UNITED STATES. IN TYPICAL COAST GUARD MULTIMISSION FASHION, OUR PATROLLING CUTTERS ENGAGE IN BOTH ANTI-SMUGGLING AND ANTI-ILLEGAL MIGRANT PATROLS. OUR CONTINUOUS PRESENCE IN THE WINDWARD PASSAGE FOR THE INTERDICTION OF HAITIAN MIGRANTS ALSO HAS A HIGHLY BENEFICIAL IMPACT ON REDUCING THE FLOW OF DRUGS THROUGH THAT CHOKEPOINT. THE SEVENTH COAST GUARD DISTRICT HAS INTERDICTED 7,353 ILLEGAL HAITIANS SINCE 1981. 6,625 HAITIAN MIGRANTS HAVE BEEN REPATRIATED TO PORT AU PRINCE AND ANOTHER 728 HAVE BEEN TURNED OVER TO INS FOR PROCESSING.

CALENDAR YEAR 1985 WAS A GOOD LAW ENFORCEMENT YEAR FOR OUR OPERATIONS IN THE SEVENTH DISTRICT. COAST GUARD UNITS OPERATING IN THE SEVENTH SEIZED 143 VESSELS, ARRESTED 600 PERSONS ONBOARD, AND INTERDICTED NEARLY 1.7 MILLION POUNDS OF MARIJUANA. OTHER DRUG SEIZURES INCLUDED 6,500 POUNDS OF COCAINE. THE COAST GUARD ASSISTED OTHER AGENCIES IN SEIZING AN ADDITIONAL 63,000 POUNDS OF MARIJUANA AND 700 PLUS POUNDS OF COCAINE. DURING JANUARY AND FEBRUARY 1986 THE COAST GUARD HAS SEIZED OR AIDED OTHER AGENCIES IN SEIZING 148,000 POUNDS OF MARIJUANA AND 2,000 POUNDS OF COCAINE.

MR. CHAIRMAN, AS I INDICATED EARLIER I AM THE VICE PRESIDENT'S COORDINATOR FOR BOTH THE SOUTH FLORIDA TASK FORCE AND THE SOUTHEAST REGION OF THE NATIONAL NARCOTICS BORDER INTERDICTION SYSTEM (NNBIS).

JUST AS ONE OFTEN LOOKS AT LEGISLATIVE HISTORY TO BETTER UNDERSTAND ANY GIVEN LAW, SO MUST ONE LOOK AT THE HISTORICAL CHAIN OF EVENTS SURROUNDING THE CREATION OF THE VICE PRESIDENT'S SOUTH FLORIDA TASK FORCE AND THE NATIONAL NARCOTICS BORDER INTERDICTION SYSTEM.

IN 1981 AND 1982 THE LAW ENFORCEMENT ENVIRONMENT OF SOUTH FLORIDA HAD BECOME ONE OF HAVING BEEN OVERRUN BY LAWLESSNESS. THE AREA WAS STILL REELING FROM THE EFFECTS OF THE MARIEL BOATLIFT AND THE APPROXIMATE 5,000 CRIMINALS SENT

HERE FROM CUBA. THIS MANIFESTED ITSELF IN THE STATE'S COURTS WHEREBY THE DOCKETS WERE FILLED BEYOND CAPACITY, THE STATE ATTORNEY'S CAPABILITY STRETCHED BEYOND ITS LIMITS AND THE STATE PRISONS AND JAILS HAD NO VACANCY ORDERS. MANY OF THOSE CHARGED WITH FELONY CRIMES FELL INTO THE CATEGORY OF ILLEGAL ALIENS AND/OR "MARIELITOS". THE CITIZENRY FELT UNSAFE DUE TO THE PROLIFERATION OF GANGSTER TYPE WEAPONS AND THEIR FREQUENT USE IN PUBLIC EXECUTIONS AS NARCOTIC TRAFFICKERS RESOLVED THEIR RIVALRIES. DRUG SMUGGLING HAD REACHED EPIDEMIC PROPORTIONS PLACING LAW ENFORCEMENT IN THE POSITION OF HAVING TO REACT TO THE SMUGGLERS AS OPPOSED TO BEING ON THE OFFENSIVE. IN ESSENCE, LAW ENFORCEMENT WAS OUTMANNED AND OUTGUNNED.

THESE PROBLEMS, AS THEY RELATED TO FEDERAL JURISDICTIONS, WERE SURFACED TO THE ADMINISTRATION. IN HIS STATEMENT OF JANUARY 28, 1982, WHEN HE CREATED THE SOUTH FLORIDA TASK FORCE AND NAMED THE VICE PRESIDENT TO HEAD IT, PRESIDENT REAGAN STATED, AND I QUOTE; "MASSIVE IMMIGRATION, RAMPANT CRIME AND EPIDEMIC DRUG SMUGGLING HAVE CREATED A SERIOUS PROBLEM. THEREFORE, IT IS MY BELIEF THAT THE FEDERAL GOVERNMENT HAS A SPECIAL RESPONSIBILITY TO FILL IN TEMPORARILY AND DO WHAT IT CAN TO REDUCE AND, HOPEFULLY, ELIMINATE THOSE PROBLEMS".

MR. CHAIRMAN, WHILE IT HAS BEEN A RELATIVELY SHORT PERIOD, FOUR YEARS, SINCE THE SOUTH FLORIDA TASK FORCE CAME INTO BEING, IT IS STILL CONSIDERED A TEMPORARY MEASURE. HOWEVER, IT WOULD NOT BE REASONABLE TO EXPECT THE TASK FORCE TO HAVE "FIXED" IN SHORT ORDER EVERY ASPECT OF A PROBLEM THAT HAS BEEN ONGOING FOR 15 TO 20 YEARS.

THROUGH THE SUPPORTIVE EFFORTS OF THE U.S. ATTORNEY'S OFFICE AND THE STATE ATTORNEY'S OFFICE, THE CRIMINAL COURT DOCKET HAS BEEN ADDRESSED AND BROUGHT INTO MANAGEABLE PROPORTIONS. THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS HAS HAD REMARKABLE SUCCESS IN ADDRESSING THE PUBLIC TERRORISM AND USE OF AUTOMATIC WEAPONS WHICH SO TERRIFIED THE SOUTH FLORIDA CITIZENRY. ATF CONTINUES TO WORK DILIGENTLY IN SOUTH FLORIDA -- AN AREA WHICH CONTINUES TO REQUIRE TREMENDOUS INVESTIGATIVE EFFORTS DUE TO VIOLATIONS OF FEDERAL FIREARMS LAWS.

WE TEND TO OVERLOOK THESE MONUMENTAL AND UNQUALIFIED SUCCESSES WHILE WE FOCUS ON THAT WHICH CONTINUES TO BE ELUSIVE IN ITS ABSOLUTE SOLUTION -- THE SMUGGLING OF NARCOTICS.

THE INFUSION OF AGENTS, AIRCRAFT AND VESSELS INTO SOUTH FLORIDA UNDER THE AEGIS OF THE VICE PRESIDENT WAS ESSENTIAL AT THE TIME FROM A CRISIS INTERVENTION PERSPECTIVE. REPRESENTATION OF THE VICE PRESIDENT IN THE FORM OF AN ON-SCENE COORDINATOR WAS ALSO NECESSARY TO PROVIDE THE TUTELAGE IN ORDER TO FOCUS THE INDIVIDUAL PRIORITIES OF THE VARIOUS AGENCIES INVOLVED IN ADDRESSING THE PROBLEM.

THE TASK FORCE ALSO SERVED AS THE PROVING GROUND FOR THE IMPLEMENTATION OF AMENDMENTS TO POSSE COMITATUS WHICH HAD RECENTLY BEEN PASSED BY THE CONGRESS AND SIGNED BY THE PRESIDENT.

MR. CHAIRMAN, YOU ASKED ME TO PROVIDE TANGIBLE EVIDENCE OF OUR SUCCESS AND FAILURE.

REGARDING FAILURE -- WE HAVE FAILED TO COMPLETELY STOP THE FLOW OF NARCOTICS INTO THE UNITED STATES. BUT, TO COUNT THAT AS A FAILURE HAS TO BE BASED ON AN

UNREASONABLE EXPECTATION OF SUCCESS -- TO BE ABLE TO STOP, ALMOST OVERNIGHT, A MULTIBILLION DOLLAR INDUSTRY WITH A 15-20 YEAR HEAD START -- AN INDUSTRY, ALBEIT DESPICABLE -- WHICH NURTURES A GROWING DEMAND.

VICE PRESIDENT BUSH WAS VERY MUCH ON TARGET WHEN HE STATED ON MARCH 16, 1982 IN MIAMI THAT "THIS JOB WILL NOT BE EASY. IF ANYTHING, IT WILL GROW MORE DIFFICULT WITH TIME. SUCCESS WILL BE MET WITH CIRCUMVENTION BY THOSE WHO DISREGARD AND MOCK OUR LAWS". ONE ADDITIONAL COMMENT HE MADE ON THAT OCCASION IS EQUALLY APPLICABLE: "LET'S BE REALISTIC, THERE IS NO INSTANT SOLUTION TO THE PROBLEMS...IT WILL BE A LONG JOURNEY..."

SUCCESS IS RELATIVE AND BASED ON THAT WHICH ONE CHOOSES TO USE AS A MEASUREMENT. I SUBMIT THAT WE HAVE HAD SIGNIFICANT SUCCESSES OVER THE PAST FOUR YEARS. I CITE THE FOLLOWING EXAMPLES FOR YOU.

* THE COORDINATION AND APPLICATION OF POSSE COMITATUS IN FLORIDA WAS SUCCESSFUL ENOUGH TO WARRANT REPLICATION AROUND ALL OF OUR BORDERS.

* SUCCESS IS MEASURABLE IN THE FEELING THIS COMMUNITY HAS ABOUT ITSELF TODAY AS OPPOSED TO FOUR YEARS AGO.

* SUCCESS IS APPARENT THROUGH THE GROWTH IN SUPPORT FOR DRUG INTERDICTION EFFORTS BY THE DEPARTMENT OF DEFENSE BASED ON BOTH COMMITMENTS AND IDENTIFICATION OF TRAINING NEEDS WHICH CAN BENEFIT OUR EFFORTS.

* WE HAVE SUCCEEDED IN ESTABLISHING AN UNPRECEDENTED FLOW OF INTELLIGENCE INTO THE NNBIS CENTERS AND ON TO THE PARTICIPATING AGENCIES.

* SUCCESS IS QUANTIFIABLE THROUGH THE DISRUPTION WE HAVE CAUSED THE SMUGGLERS -- WHAT I REFER TO AS THE PARADOX OF SUCCESS. FOUR YEARS AGO 20 PLUS TON LOADS OF NARCOTICS WERE COMMONPLACE. IF YOU FOUND THE SHIP YOU FOUND THE LOAD. TODAY IT CAN TAKE 10-18 HOURS TO FIND LOADS ON MOTHER SHIPS WHICH TOTAL ONLY 4-5,000 POUNDS. SMUGGLERS HAVE BEEN FORCED TO SACRIFICE QUANTITY FOR SECRECY.

* SMUGGLERS NO LONGER FLY INTO THE UNITED STATES WITH THE IMPUNITY THEY ONCE FELT. THERE HAVE BEEN A SERIES OF BATTLES IN THAT WAR AND WE HAVE SUCCESSFULLY FOUGHT THOSE BATTLES. ROUND ONE, AS I STATED, DEPRIVED THEM OF THE WILLINGNESS TO FLAGRANTLY FLY DIRECTLY INTO U.S. AIRSPACE. ROUND TWO DEPRIVED THEM OF THE CENTRAL BAHAMAS. ROUNDS THREE AND FOUR HAVE MADE IT HARDER FOR THEM IN THE NORTHERN BAHAMAS AND, MOST RECENTLY, THE SOUTHERN BAHAMAS.

* WE HAVE SUCCEEDED IN BRINGING ABOUT, UNPRECEDENTED COOPERATION OF AGENCIES FOR SPECIAL OPERATIONS THAT HAD NEVER BEFORE OCCURRED. EXAMPLES INCLUDE HAT TRICKS I AND II, BLUE LIGHTNING, MUSKETEER AND THUNDERSTORM. I WOULD ALSO POINT OUT THAT EACH TIME ONE OF THESE OPERATIONS CONCLUDES, IT LEAVES US WITH A NEW BENCHMARK LEVEL OF INTER-AGENCY COOPERATION.

* THROUGH THE PERSONAL EFFORTS OF THE VICE PRESIDENT WE HAVE HAD UNQUALIFIED SUCCESS IN GAINING SUPPORT FROM AND WORKING PARTNERSHIPS WITH COUNTRIES SUCH AS THE BAHAMAS, COLOMBIA AND VENEZUELA.

* FINALLY, SUCCESS WITHIN THIS COMMUNITY AND OTHERS THROUGHOUT THE COUNTRY IS EVIDENCED BY GRASS ROOTS APPROACHES AIMED AT EDUCATING THE PUBLIC TO REJECT DRUGS. JUST TWO WEEKS AGO, MIAMI TURNED RED AS THE CITIZENS WORE RED AND DRAPED PLACES AND THINGS IN RED TO CREATE A "SAY NO TO DRUGS" AWARENESS.

MR. CHAIRMAN, I FIRMLY BELIEVE THAT THE VICE PRESIDENT'S SOUTH FLORIDA TASK FORCE OPENED THE DOOR TO A NEW ERA IN LAW ENFORCEMENT. IT LED TO SECOND AND THIRD DOORS BEING OPENED THROUGH THE CREATION OF THE ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCES AND THE NATIONAL NARCOTICS BORDER INTERDICTION SYSTEM. THERE IS A COMMON DENOMINATOR TO THESE STAGES OF METAMORPHOSIS -- A REALIZATION THAT NO SINGLE AGENCY OR FORM OF GOVERNMENT CAN HANDLE THIS TASK INDEPENDENTLY. THERE IS A NEED FOR THE COORDINATION OF EFFORTS ON BOTH THE INVESTIGATIVE AND INTERDICTION FRONTS. FROM THE STANDPOINT OF INTERDICTION, NNBIS AND THE SOUTH FLORIDA TASK FORCE MEET THAT NEED. OCDETF IS MEETING INVESTIGATIVE NEEDS. WE HAVE COME A LONG WAY TOWARDS REAL COOPERATION AMONG FEDERAL, STATE AND LOCAL LAW ENFORCEMENT AGENCIES. WE ARE NOW JOINING FORCES AGAINST A COMMON ENEMY. WE ARE HURTING THEM - AND IF WE CONTINUE IN THE CURRENT SPIRIT, WE'LL HURT THEM EVEN MORE.

MY COMMENTS ON THE IMPACT OF THE GRAMM-RUDMAN-HOLLINGS BILL ON LAW ENFORCEMENT ACTIVITIES HERE IN THE SOUTHEAST U.S. ARE OF A GENERAL NATURE BECAUSE IT IS IMPOSSIBLE TO MAKE AN EXACT ASSESSMENT UNTIL WE KNOW HOW OUR RESOURCES AND PERSONNEL WILL BE AFFECTED. DUE TO BUDGETARY PROBLEMS IN EARLY FY 1986 THE COMMANDANT INSTITUTED A SQUEEZEDOWN/SLOWDOWN POLICY. IN TERMS OF OUR DRUG LAW ENFORCEMENT MISSION, THE EFFECT OF THIS SLOWDOWN HAS BEEN TO REDUCE ROUTINE SURFACE AND AIR PATROLS EXCEPT IN PLACES WHERE INTELLIGENCE INDICATES THE PROBABILITY OF ILLICIT OPERATIONS. HOWEVER, BECAUSE DRUG ENFORCEMENT REMAINS ONE OF OUR HIGHEST PRIORITIES, IT HAS BEEN LESS IMPACTED THAN SOME OTHER PROGRAMS. AS YOU MAY KNOW, THE PRESIDENT RECENTLY FORWARDED A $35.5 MILLION BUDGET NEUTRAL SUPPLEMENTAL REQUEST FOR FY 1986 FOR OUR OPERATING EXPENSE ACCOUNT TO ASSURE THAT PRIORITY OPERATING PROGRAMS ARE NOT JEOPARDIZED. PROMPT AND FAVORABLE CONGRESSIONAL ACTION IS NEEDED.

ALTHOUGH THE SEVENTH DISTRICT MAINTAINS A FIXED RESOURCE LEVEL OF PERSONNEL, SHIPS AND AIRCRAFT, THESE RESOURCES ARE ROUTINELY AUGMENTED WITH VESSELS AND AIRCRAFT FROM OTHER DISTRICTS THROUGHOUT THE COAST GUARD. A REDUCED FY 1986 BUDGET WILL INVOLVE DEPLETING OUR SPARE INVENTORIES AND TEMPORARILY REDUCING MAINTENANCE OF OUR CAPITAL PLANT. OUR STRATEGY REMAINS TO HANG ON AND ABSORB OUR SHORTFALLS FOR THIS YEAR. THIS STRATEGY WILL ERODE OUR OPERATING BASE FOR THIS YEAR ... BUT NOT ELIMINATE IT FOR THE FUTURE.

OUR REASON FOR ADOPTING THIS STRATEGY IS THE ENCOURAGEMENT WE SEE IN THE PRESIDENT'S FY 1987 BUDGET. IN IT, THE G-R-H REDUCTION TARGETS ARE MET, BUT THROUGH A REALIGNMENT AND BALANCING OF OVERALL GOVERNMENT PRIORITIES RATHER THAN THE BLIND APPLICATION OF ACROSS-THE-BOARD CUTS. IN SO DOING, IT ACKNOWLEDGES THE HIGH PRIORITY OF COAST GUARD PROGRAMS, SUCH AS LAW ENFORCEMENT ... DEFENSE READINESS ... MARITIME SAFETY ... AND RETURNS THEM TO ADEQUATE FUNDING LEVELS. IN THIS WAY THE PRESIDENT'S BUDGET WILL ALLOW COAST GUARD DRUG LAW ENFORCEMENT OPERATIONS TO RETURN TO NEARLY NORMAL LEVELS IN FY 1987.

IF THE PRESIDENT'S BUDGET IS NOT ADOPTED AND INSTEAD THE AUTOMATIC PROVISIONS OF THE GRAMM-RUDMAN LEGISLATION GO INTO EFFECT, THEN THE IMPACT ON THE COAST GUARD WILL BE SUBSTANTIAL.

UNDER THE SCENARIO OF ACROSS-THE-BOARD CUTS, EVEN OUR HIGHEST PRIORITY PROGRAMS, INCLUDING DRUG LAW ENFORCEMENT, CANNOT BE BUFFERED AGAINST SIGNIFICANT REDUCTIONS. THEREFORE, I SINCERELY HOPE THAT CONGRESS WILL AGREE WITH THE PRESIDENT ON A FY 1987 BUDGET WHICH REFLECTS THE HIGH PRIORITIES HE PLACES ON ESSENTIAL MISSIONS OF THE COAST GUARD.

OVER THE PAST TWO YEARS, SIGNIFICANT EFFORTS HAVE BEEN MADE TO TAKE THE WAR ON DRUGS TO THE VERY COAST OF THE SOURCE AND/OR TRANSIT COUNTRIES. COOPERATIVE ANTIDRUG OPERATIONS WITH THE COUNTRIES OF COLOMBIA, VENEZUELA, JAMAICA AND THE BAHAMAS HAVE RESULTED IN UNPRECEDENTED COOPERATION THAT HAS SIGNIFICANTLY ADDED TO OUR OVERALL INTERDICTION CAPABILITIES. I HAVE ALREADY MENTIONED OPERATION HUNTER WHERE COAST GUARD AND NAVY VESSELS BLOCKADED THE COLOMBIAN COAST ALLOWING IN-COUNTRY MILITARY AND LAW ENFORCEMENT AGENCIES TO STRIKE AT THE STOCKPILES OF DRUGS AND DISRUPT THE SMUGGLERS' LOGISTIC FLOW. COAST GUARD OPERATIONS DEEP INTO THE CARIBBEAN BASIN HAVE NOT ONLY RESULTED IN SIGNIFICANT SEIZURES BUT HAVE ACTED AS A DETERRENT PRESENCE TO NARCOTICS TRANSPORTATION. THESE MULTINATIONAL OPERATIONS ARE DIFFICULT TO SUSTAIN AND HAVE BEEN EXECUTED WITH ADDITIONAL OUT-OF-DISTRICT RESOURCES. ANY LONG TERM DRAWDOWN WOULD LIMIT OUR ABILITY TO MAINTAIN THE SAME LEVEL OF COOPERATIVE MULTINATIONAL OPERATIONS, THUS UNDERMINING THE SIGNIFICANT PROGRESS THAT HAS ALREADY BEEN MADE WITH THE INTERNATIONAL COMMUNITY.

THIS CONCLUDES MY STATEMENT, MR. CHAIRMAN. I WILL BE HAPPY TO ANSWER ANY QUESTIONS YOU OR THE MEMBERS OF THE COMMITTEE MAY HAVE.

STATEMENT OF

EDWARD F. KWAS

REGIONAL COMMISSIONER

U.S. CUSTOMS SERVICE

FOR THE HOUSE SELECT COMMITTEE

ON NARCOTICS ABUSE AND CONTROL

MAY 16, 1986

MR. CHAIRMAN AND MEMBERS OF THIS COMMITTEE, I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO OUTLINE THE EFFORTS, RESULTS AND STATUS OF DRUG INTERDICTION BY THE U.S. CUSTOMS SERVICE IN SOUTH FLORIDA.

THERE IS NO DOUBT THAT AN INCREASING AMOUNT OF COCAINE IS BEING BROUGHT INTO THE UNITED STATES. AT THE SAME TIME, NARCOTIC SEIZURE STATISTICS INDICATE THAT THE U.S. CUSTOMS SERVICE HAS GREATLY IMPROVED ITS ABILITY TO INTERDICT SMUGGLED COCAINE, THE VAST MAJORITY OF WHICH ENTERS THE COUNTRY THROUGH SOUTH FLORIDA.

DURING FISCAL YEAR 1985, CUSTOMS OFFICERS IN SOUTH FLORIDA SEIZED 37,316 POUNDS OF COCAINE. THIS FIGURE IS MORE THAN DOUBLE THE TOTAL AMOUNT SEIZED HERE IN FISCAL YEAR 1984, AND MORE THAN FOUR TIMES THE AMOUNT OF COCAINE CONFISCATED IN FISCAL YEAR 1983. ALREADY DURING THE FIRST SIX MONTHS OF THE CURRENT FISCAL YEAR, CUSTOMS OFFICERS IN THE MIAMI DISTRICT HAVE SEIZED 13,236 POUNDS OF SMUGGLED COCAINE.

ALTHOUGH DRUG SMUGGLING ATTEMPTS OCCUR VIRTUALLY EVERY DAY IN INTERNATIONAL PASSENGER FACILITIES--FOR EXAMPLE, DURING THE PAST FISCAL YEAR CUSTOMS OFFICERS PROCESSING PASSENGERS AT

MIAMI DISTRICT AIR AND SEAPORTS SEIZED 1,936 POUNDS OF COCAINE AND 25,509 POUNDS OF MARIJUANA--BY FAR THE LARGEST AMOUNT OF DRUGS ENTERING SOUTH FLORIDA, PARTICULARLY COCAINE, ARRIVES BY WAY OF AIR AND SEA CARGO, PRIVATE VESSEL AND PRIVATE AIRCRAFT.

DRUG INTERDICTION IN CARGO: TO CHECK FOR DRUGS SMUGGLED IN CARGO, CUSTOMS EMPLOYS SPECIALLY TRAINED INSPECTORS IN CONTRABAND ENFORCEMENT TEAMS (CET). UTILIZING INFORMATION FROM INFORMANTS AND OTHER INTELLIGENCE SOURCES, CET MEMBERS. WORKING WITH CARGO SHIPMENTS AT BOTH AIRPORTS AND SEAPORTS, APPLY METHODS OF SELECTIVITY TO IDENTIFY HIGH-RISK SHIPMENTS FOR INTENSIFIED EXAMINATION. THEY THEN EMPLOY TACTICS THAT INCLUDE THE USE OF DRUG-SNIFFING DOGS TO FIND THE HIDDEN NARCOTICS.

DURING FISCAL YEAR 1985, MIAMI CET MEMBERS SEIZED A TOTAL OF 10,566 POUNDS OF COCAINE, WHICH AMOUNTED TO NEARLY 29 PERCENT OF ALL THE COCAINE SEIZED BY CUSTOMS WITHIN THE MIAMI DISTRICT DURING THAT PERIOD, AND MORE THAN 20 PERCENT OF THE AMOUNT SEIZED BY CUSTOMS NATIONWIDE.

SOME OF MIAMI CET'S SIGNIFICANT SEIZURES DURING FISCAL YEAR 1985 WERE: ON FEBRUARY 15, 1985, CET MEMBERS FOUND 2,478 POUNDS OF COCAINE CONCEALED IN 32 FLOWER BOXES MIXED WITH A SHIPMENT OF CUT FLOWERS THAT HAD ARRIVED ABOARD AN AVIANCA CARGO JET FROM COLOMBIA; ON JULY 2, 1985, CET MEMBERS FOUND

1,600 POUNDS OF COCAINE HIDDEN IN BAGS OF SESAME SEEDS THAT WERE PART OF A 40,000-POUND SHIPMENT FROM GUATEMALA THAT HAD ARRIVED AT THE MIAMI SEAPORT ON AUGUST 11 AND 24, 1985, A TOTAL OF 1,722 POUNDS OF COCAINE, IN TWO SEPARATE SEIZURES, WAS DISCOVERED BY CET MEMBERS IN AIR CONDITIONING COMPARTMENTS OF EASTERN AIRLINE PASSENGER JETS THAT HAD ARRIVED FROM COLOMBIA.

DURING THE CURRENT FISCAL YEAR, MIMAI CET MEMBERS HAVE SEIZED 6,436 POUNDS OF COCAINE. THIS FIGURE INCLUDES 200 POUNDS FOUND HIDDEN IN CORES OF HOT WATER HEATERS THAT HAD ARRIVED IN AIR CARGO FROM HONDURUS AND WERE SEIZED JANUARY 8, 1986; 414 POUNDS SEIZED JANUARY 22, AFTER CET MEMBERS DISCOVERED THE COCAINE CONCEALED IN A SHIPMENT OF YUCCA THAT HAD ARRIVED AT THE MIAMI SEAPORT WITH CARGO FROM COSTA RICA; 358 POUNDS OF COCAINE FOUND CONCEALED IN SHIPMENTS OF CUT FLOWERS THAT HAD ARRIVED VIA AIR CARGO FROM COLOMBIA ON MARCH 25 AND 27; AND 1,600 POUNDS OF COCAINE FOUND APRIL 3 CONCEALED IN A SHIPMENT OF PINEAPPLES THAT HAD ARRIVED AT THE MIAMI SEAPORT ON A CARGO SHIP FROM COSTA RICA.

CARRIER INITIATIVE AGREEMENTS: DRUG SMUGGLING BY WAY OF COMMERCIAL AIRLINES IS NOT ALWAYS ACCOMPLISHED BY PASSENGERS OR THROUGH CARGO SHIPMENTS. OVER THE PAST SEVERAL YEARS, PARTICULARLY IN MIAMI, CUSTOMS HAS FOUND SMUGGLED DRUGS

HIDDEN IN AREAS OF COMMERCIAL AIRCRAFT ACCESSIBLE ONLY TO AIRLINE PERSONNEL. AS A MEANS OF DETERRING THIS KIND OF SMUGGLING, COMMISSIONER OF CUSTOMS WILLIAM VON RAAB AND ASSISTANT DIRECTOR GENERAL R.R. SHAW OF THE INTERNATIONAL AIR TRANSPORT ASSOCIATION (IATA) MET LAST JULY 30, AND JOINTLY ADOPTED GUIDELINES FOR DETERRING DRUG SMUGGLING ON COMMERICAL AIRCRAFT. A SIMILIARLY WORDED AGREEMENT WAS SIGNED LAST MARCH BY THE COMMISSIONER AND PAUL R. IGNATIUS, CHAIRMAN OF THE BOARD, AIR TRANSPORT ASSOCIATION OF AMERICA (ATA).

IATA'S MEMBERS CARRY THE BULK OF THE WORLD'S SCHEDULED AIR TRAFFIC UNDER FLAGS OF MORE THAN 100 NATIONS, AND ATA REPRESENTS 31 MAJOR U.S. AND CANADIAN AIRLINES THAT FLY SOME OF THE HEAVIEST TRAVELED ROUTES IN THE UNITED STATES.

SOME OF THE KEY ELEMENTS OF THESE AGREEMENTS ARE:

* PREFLIGHT INSPECTIONS TO ENSURE THAT AIRCRAFT ARE CONTRABAND-FREE.

* FLAGGING SUSPICIOUS FREIGHT SHIPMENTS FOR CUSTOMS ATTENTION.

* TIGHTENING ACCESS RESTRICTIONS TO CARGO AND PASSENGER AREAS.

* MAKING DRUG AWARENESS A PART OF REGULAR TRAINING CURRICULUM.

* PROVIDING PASSENGER FLIGHT INFORMATION AT CUSTOMS' REQUEST.

NINE AIR CARRIERS IN MIAMI HAVE SIGNED INDIVIDUAL CARRIER INITIATIVE AGREEMENTS WITH CUSTOMS, AND THREE MORE ARE EXPECTED TO ENTER INTO AGREEMENTS IN THE NEAR FUTURE.

SIMILAR AGREEMENTS HAVE BEEN NEGOTIATED WITH OCEAN CARRIERS. DURING THE PAST AND CURRENT FISCAL YEARS, WITHIN THE SOUTHEAST REGION, SEVEN COMMERCIAL LINES AND TWO CRUISE LINES HAVE SIGNED CARRIER INITIATIVE AGREEMENTS WITH CUSTOMS. MORE ARE PENDING.

COORDINATED MULTI-AGENCY MARINE INTERDICTION: UP UNTIL FOUR OR FIVE YEARS AGO, THE GREATEST PERCENTAGE OF COCAINE COMING INTO SOUTH FLORIDA WAS BEING FLOWN HERE, OR TO INLAND AREAS OF THE COUNTRY, BY PRIVATE AIRCRAFT. TO COUNTER THIS, CUSTOMS EXPANDED AND IMPROVED ITS AIR SUPPORT PROGRAM. WITHIN A RELATIVELY SHORT TIME, SMUGGLERS FOUND IT TOO RISKY TO USE PRIVATE AIRCRAFT AS A PRIMARY MEANS OF BRINGING COCAINE INTO THE U.S., SO THEY CHANGED THEIR TACTICS. THEY STARTED FLYING IT INTO THE BAHAMAS, FROM WHERE IT WAS SHUTTLED TO SOUTH FLORIDA IN FAST BOATS. IN RESPONSE CUSTOMS BEGAN STRENGTHENING

ITS MARINE INTERDICTION CAPABILITIES WITH ADDED MANPOWER AND RESOURCES, AND BETTER COORDINATION WITH OTHER LAW ENFORCEMENT AGENCIES.

IN APRIL 1985, CUSTOMS PARTICIPATED IN A MULTI-AGENCY OPERATION, CALLED "BLUE LIGHTNING," THAT WAS AIMED AT CRACKING DOWN ON DRUG SMUGGLING BY BOAT FROM THE BAHAMAS TO SOUTH FLORIDA. THE OPERATION, WHICH WAS COORDINATED BY THE NATIONAL NARCOTICS BORDER INTERDICTION SYSTEM (NNBIS), INVOLVED EFFORTS OF THE U.S. AND BAHAMIAN GOVERNMENT AGENCIES, AS WELL AS THE PARTICIPATION OF 17 SOUTH FLORIDA STATE, COUNTY AND LOCAL LAW ENFORCEMENT AGENCIES. IN JUST 17 DAYS, THE OPERATION YIELDED 6,533 POUNDS OF COCAINE AND 62,933 POUNDS OF MARIJUANA. ADDITIONALLY, 36 VESSELS AND 2 AIRCRAFT WERE SEIZED, AND 76 DRUG SMUGGLING SUSPECTS WERE ARRESTED.

THE SUCCESS OF BLUE LIGHTNING CONVINCED CUSTOMS COMMISSIONER VON RAAB THAT THE COOPERATIVE MODE OF LAW ENFORCEMENT ESTABLISHED DURING THE OPERATION SHOULD BE CONTINUED IN THE WAR AGAINST DRUG SMUGGLING IN SOUTH FLORIDA. ACCORDINGLY, IN JULY 1985, CUSTOMS ORGANIZED A DRUG INTERDICTION TEAM THAT INCLUDED THE PARTICIPATION OF VIRTUALLY EVERY STATE, COUNTY AND LOCAL LAW ENFORCEMENT AGENCY IN SOUTH FLORIDA, IN ADDITION TO CUSTOMS AND THE COAST GUARD. IT WAS CALLED THE "BLUE LIGHTNING STRIKE FORCE."

STRIKE FORCE PARTICIPANTS WORK TOGETHER DURING SPECIAL OPERATIONS, SHARE INTELLIGENCE INFORMATION AND CONDUCT JOINT MARINE PATROLS. WHENEVER POSSIBLE, CUSTOMS OFFICERS RIDE ALONG ON OTHER AGENCY PATROL BOATS, AND OTHER AGENCY OFFICERS ACCOMPANY CUSTOMS MARINE PATROLS. THIS MAXIMIZES RESOURCES AND EXTENDS THE UNIQUE BORDER SEARCH AUTHORITY OF THE CUSTOMS SERVICE.

DURING ITS FIRST SIX MONTHS OF OPERATION, THE BLUE LIGHTNING STRIKE FORCE, WHICH NOW INCLUDES THE PARTICIPATION OF 23 STATE, COUNTY AND LOCAL LAW ENFORCEMENT AGENCIES, ALONG WITH CUSTOMS AND THE COAST GUARD, WAS CREDITED WITH THE SEIZURE OF 9,865 POUNDS OF COCAINE, 233,252 POUNDS OF MARIJUANA, 58 VESSELS, 4 AIRCRAFT AND 5 VEHICLES, AND WITH THE ARREST OF 268 SUSPECTS.

IN FEBRUARY, A BLUE LIGHTNING STRIKE FORCE STEERING COMMITTEE WAS FORMED, WHICH INCLUDES FEDERAL, STATE, COUNTY AND LOCAL AGENCY REPRESENTATION. ITS PURPOSE IS TO HELP INCREASE THE EFFECTIVENESS OF THE STRIKE FORCE WITH RECOMMENDATIONS BASED ON INPUT FROM HEADS OF PARTICIPATING AGENCIES. BROWARD COUNTY SHERIFF NICK NAVARRO WAS ELECTED TO SERVE AS CHAIRMAN OF THE STEERING COMMITTEE.

THE BLUE LIGHTNING STRIKE FORCE IS BEING STRENGTHENED AND EXPANDED WITH THE PURCHASE OF 40 NEW CUSTOMS PATROL BOATS DURING THIS FISCAL YEAR. TWELVE OF THESE ARE 39-FOOT, HIGH-SPEED CATAMARANS, WHICH OFFER EXCELLENT MANEUVERABILITY IN ROUGH SEAS. SIX MORE ARE SMALLER BUT FASTER CATAMARANS, AND THE OTHERS ARE MONO-HULL OCEAN RACERS.

CUSTOMS HAS ALSO BEEN AUTHORIZED TO FILL 122 NEW MARINE ENFORCEMENT POSITIONS FOR FLORIDA. THESE PEOPLE ARE NOW IN THE PROCESS OF BEING HIRED AND WILL BE BROUGHT ON BOARD AS SOON AS POSSIBLE.

WITH THE ADDITION THIS FISCAL YEAR OF THE NEW ENFORCEMENT VESSELS AND THE FILLING OF THE NEW POSITIONS, CUSTOMS WILL HAVE A TOTAL OF 91 VESSELS AND 296 MARINE ENFORCEMENT PERSONNEL DEDICATED TO MARINE INTERDICTION IN FLORIDA, FROM THE KEYS TO TAMPA.

BLUE LIGHTNING OPERATIONS CENTER (BLOC): ON FEBRUARY 11, CUSTOMS ACTIVATED AN ULTRA-SOPHISTICATED FACILITY IN MIAMI TO SERVE AS THE COORDINATING NERVE CENTER OF THE BLUE LIGHTNING STRIKE FORCE. THIS NEW FACILITY, CALLED THE BLUE LIGHTNING OPERATIONS CENTER (BLOC), IS EQUIPPED WITH COMMUNICATIONS CONSOLES THAT HOUSE RADAR MONITORS AND STATE-OF-THE-ART COMPUTERS THAT CAN DISPLAY TARGET TRACKING ON WALL-SIZED SCREENS. THE CENTER CAN QUICKLY TRANSMIT INFORMATION FROM MONITORED RADAR INPUT TO CUSTOMS, STATE OR LOCAL BLUE LIGHTNING VESSELS ON PATROL, UTILIZING SECURE RADIO EQUIPMENT TO VECTOR THEM TO TARGETS IN DAYLIGHT OR DARKNESS.

ONLY 10 DAYS AFTER IT WAS ACTIVATED, THE BLUE LIGHTNING OPERATIONS CENTER UTILIZED ITS RADAR MONITORING AND COMMUNICATIONS CAPABILITIES TO COORDINATE A NIGHTTIME SEA CHASE OFF

MARCO ISLAND (ON FLORIDA'S WEST COAST) THAT RESULTED IN THREE ARRESTS AND THE SEIZURE OF 17 TONS OF MARIJUANA AND TWO VESSELS.

SEIZURE OF DRUG MONEY: PRIOR TO 1980, SOUTH FLORIDA, AND PARTICULARLY MIAMI, HAD BECOME A MONEY LAUNDERING MECCA FOR DRUG SMUGGLING ORGANIZATIONS AND THEIR LATIN-AMERICAN CONNECTIONS. HUNDREDS OF MILLIONS OF DOLLARS IN UNREPORTED CURRENCY WERE BEING ILLEGALLY PROCESSED THROUGH THE BANKING INDUSTRY. IN 1980, A MULTI-AGENCY PROJECT CALLED "OPERATION GREENBACK" WAS INITIATED TO INVESTIGATE MONEY LAUNDERING. CUSTOMS, IRS AND DEA AGENTS, ALONG WITH THE U.S. ATTORNEY'S OFFICE, BEGAN ATTACKING THE FINANCIAL STRUCTURES OF ESTABLISHED SMUGGLING ORGANIZATIONS.

OPERATION GREENBACK, NOW A PART OF THE ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCE (OCDETF), HAS BEEN AND CONTINUES TO BE A HIGHLY EFFECTIVE EFFORT, RESPONSIBLE FOR THE SEIZURE OF MILLIONS OF DOLLARS IN DRUG MONEY, AND MANY MILLIONS MORE IN PROPERTY SEIZURES, BOND FORFEITURES AND JEOPARDY TAX ASSESSMENTS. SINCE LAST OCTOBER, GREENBACK AGENTS IN MIAMI HAVE SEIZED MORE THAN $17 MILLION AND HAVE ARRESTED 41 SUSPECTS.

OBTAINING CITIZEN HELP IN THE DRUG WAR: ALONG WITH HIGH-SPEED BOATS, JET AIRCRAFT AND HIGH-TECH DETECTION AND COMMUNICATION EQUIPMENT, CUSTOMS RECENTLY INCORPORATED A WEAPON IN ITS FIGHT AGAINST DRUGS IN THE SOUTHEAST REGION THAT IS OLDER THAN RECORDED HISTORY . . . . PUBLIC CONCERN.

IN JULY 1985, CUSTOMS INITIATED A MIAMI-BASED DRUG-TIP HOTLINE (1-800-BE ALERT) FOR TOLL-FREE, STATE-WIDE USE BY ANY PERSON WISHING TO REPORT SUSPECTED DRUG SMUGGLING ACTIVITY. THE SYSTEM, WHICH IS MANNED 24 HOURS PER DAY, SEVEN DAYS A WEEK, OFFERS REWARDS FOR PRODUCTIVE INFORMATION AND ANONYMITY FOR CALLERS WHO CHOOSE NOT TO BE IDENTIFIED. THE HOTLINE WAS LAUNCHED WITH STATE-WIDE NEWS COVERAGE AND A STATE-WIDE INFORMATION CAMPAIGN BY LAW ENFORCEMENT EXPLORERS, WHO DISTRIBUTED PHAMPLETS AND POSTERS AT MARINAS AROUND FLORIDA'S COASTLINE. THIS WAS FOLLOWED BY RADIO AND TV SPOTS, HIGHWAY BILLBOARDS AND MAILOUTS TO ALL FLORIDA AIRCRAFT AND BOAT OWNERS. ON FEBRUARY 18, 1986, THE HOTLINE WAS EXPANDED TO INCLUDE GEORGIA AND THE CAROLINAS, WHERE A MEDIA CAMPAIGN IS ALSO BEING CONDUCTED TO BRING IT TO THE ATTENTION OF THE PUBLIC.

TO DATE, THE DRUG-TIP HOTLINE HAS RECEIVED 883 CALLS, 834 OF WHICH HAVE COME FROM FLORIDA, 20 FROM NORTH CAROLINA, 19 FROM SOUTH CAROLINA, AND 10 FROM GEORGIA. RESULTS THUS FAR INCLUDE 27 ARRESTS AND THE SEIZURE OF 18 POUNDS OF COCAINE, 1,970 POUNDS OF MARIJUANA, $ 46,500 IN U.S. CURRENCY, 22 WEAPONS, 4 VESSELS AND AN AIRCRAFT. HOTLINE CALLS ALSO HAVE ENABLED CUSTOMS TO DEVELOP 20 NEW INFORMANTS, AND TO REFER 238 CALLS TO OTHER AGENCIES.

SO FAR, HOTLINE INFORMATION HAS RESULTED IN THE PAYMENT OF $4,050 IN REWARDS, WITH OTHER CASES PENDING. SURPRISINGLY,

HOWEVER, MORE THAN HALF OF THOSE WHO CALL ARE NOT INTERESTED IN RECEIVING A REWARD. THEY SAY THEY ARE ONLY CONCERNED WITH HELPING STOP DRUG SMUGGLERS.

MR. CHAIRMAN, AGAIN I WOULD LIKE TO EXPRESS MY APPRECIATION FOR THE OPPORTUNITY TO BRIEF THIS COMMITTEE ON U.S. CUSTOMS NARCOTICS INTERDICTION EFFORTS AND ACHIEVEMENTS IN SOUTH FLORIDA.

THIS COMPLETES MY FORMAL STATEMENT. I WILL BE HAPPY TO RESPOND TO ANY QUESTIONS YOU OR OTHER MEMBERS OF THE COMMITTEE MAY HAVE.

STATEMENT
OF
DARRELL G. SMITH
CHIEF, CRIMINAL INVESTIGATION DIVISION
INTERNAL REVENUE SERVICE
JACKSONVILLE DISTRICT

BEFORE THE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

MAY 16, 1986

IRS PARTICIPATION IN NARCOTICS, MONEY LAUNDERING AND OCDETF INVESTIGATIONS

		Page Number
I.	Introduction	1-2
II.	IRS Nationwide Participation in the Narcotics Program	2-4
	A. Historical IRS Participation in Narcotics Investigations	
	B. IRS Contribution to OCDETFs	
	1. Staffing Allocated and Realized	
	2. Budget Considerations	
	3. OCDETF Participation	
	4. Results	
	C. Emphasis on "Financial Investigative Approach"	
	1. Streamlined Internal Procedures	
	2. Asset Identification, Seizures, Forfeitures	
	D. Money Laundering Investigations (Bank Secrecy Act)	
	1. CTR Filings	
	2. Bank Compliance Actions	
	E. IRS Civil Tax Assessments	
	1. Jeopardy and Termination Actions	
	2. Results	
III.	Florida Activities and Results	4-6
IV.	The Anticipated Effects of Gramm-Rudman-Hollings Act	6
V.	Suggestions for Improved Effectiveness	6-7

ATTACHMENTS

1.	IRS Case Summaries	Attachment I
2.	IRS Statistical Summary of Case Activities	Attachments II&III
3.	CTR Filings	Attachments IV&V

STATEMENT
OF
DARRELL G. SMITH
CHIEF, CRIMINAL INVESTIGATION DIVISION
INTERNAL REVENUE SERVICE
JACKSONVILLE DISTRICT

BEFORE THE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

MAY 16, 1986

INTRODUCTION:

Mr. Chairman and Members of the Subcommittee:

By way of introduction, I am the Chief of the Criminal Investigation Division, Internal Revenue Service in the Jacksonville, Florida District. This district encompasses the entire state of Florida and is one of nine districts in the IRS Southeast Region, which is one of seven IRS regions in the country.

I am pleased to have the opportunity to address you today on the role that IRS plays in the area of narcotics related investigations. I will be available to answer any questions you or the members may have at the conclusion of my statement.

It is important that the legislative branch of the Government keep IRS in mind when it contemplates its overall strategy in the fight against drug trafficking, organized crime, money laundering and other illegal enterprises. These illegal -- and related legal business activities -- generate billions of dollars of income. The IRS is strongly committed to the administration's objective to deter the flow of narcotics and narcotics proceeds. Our agents possess unique skills in conducting financial investigations as well as in enforcing the Bank Secrecy Act and have thus played a major role in the fight against narcotics.

We at the IRS believe that devoting substantial resources to the investigation of narcotics trafficking is important, not only because of the significant amount of revenue that can be collected, but also because the service's tax administrative expertise can be focused on the motive for drug trafficking -- the huge illegal profits involved. In order to stem the flow of drugs we must attack the motive for this illegal activity. We in IRS have a unique and indispensable role in this matter.

Although the Internal Revenue Service is not a narcotics enforcement agency, and therefore does not participate in direct narcotics interdiction programs, we do have significant responsibilities both for tax law and Bank Secrecy law enforcement and for support and assistance to the agencies with narcotics jurisdiction. In this regard we are heavily involved in the

investigation of major narcotics traffickers through our High Level Drug Leaders Project and the Organized Crime Drug Enforcement Task Force program throughout the country.

We do not maintain statistics relative to the availability of drugs or the effectiveness of interdiction enforcement efforts, however, later in my statement, I will be providing some IRS narcotics enforcement program statistics.

Historically, because of our unique jurisdiction under Title 26, the Internal Revenue Code, IRS special agents have been involved in conducting investigations of organized criminals that derive their income from illegal activities. Since the early 1970's, IRS has been actively involved in major multi-agency investigations of narcotics organizations. Beginning in early 1980, the IRS made a major commitment to the investigation of narcotics related money laundering violations under the Bank Secrecy Act provisions (Title 31).

IRS NATIONWIDE PARTICIPATION IN THE NARCOTICS PROGRAM:

Our nationwide commitment to the narcotics program has increased yearly since FY 1977, when 116 special agent staff years were expended. In FY 1980, 232 special agent staff years were expended in narcotics related investigations. In FY 1983, this increased to 487 special agent staff years and in FY 1985 to 775 special agent staff years. In FY 1984 and FY 1985, this represented approximately 25% of our total special agent investigative time. In fact, other than for special appropriations for Organized Crime Drug Enforcement Task Forces, CID has had a net resource reduction since 1979.

Although our authorized special agent positions vary somewhat from year to year, they remain at approximately the same level. In FY 1980 we were authorized 2,815 special agents. In FY 1986 and 1987, our current budget authorizes 2,791 special agent positions.

In terms of dollars, the overall IRS budgeted expenditures (which included Criminal Investigation and all other functions) in the narcotics enforcement program is as follows: FY 1983, $49.4 million; FY 1984, $56.7 million; FY 1985, $61.7 million, with projections for FY 1986 and FY 1987 of $61.1 million and $61.0 million respectively.

IRS has shown a consistent commitment to the Organized Crime Drug Enforcement Task Force Program. IRS represents over half of the total effort expended by all Treasury participants (IRS, U.S. Customs Service and the Bureau of Alcohol, Tobacco and Firearms) to the OCDETF program. IRS has maintained a very high level of involvement in OCDETF investigations even though we were originally committed to allocate only about 19% of the total investigative agency resources into the OCDETF program. However, since the inception of the OCDETF program, IRS has participated in 67.6% of all OCDETF investigations.

This level of participation is second only to that of the Drug Enforcement Administration, the nation's primary narcotics enforcement agency.

One way in which we are able to assess the contribution that the IRS has made to the OCDETF program is by tracking the number of cases we have investigated. Since the beginning of this task force program, through December 31, 1985, IRS has obtained 1,051 indictments and/or informations of which to date 657 have been convicted. It is important to put these figures in perspective, to fully appreciate the significance of IRS to the OCDETF program. IRS has also had a significant impact in areas which can not be appreciated by just looking at statistics.

IRS special agents have long been recognized as experts in the area of financial investigations in general and money laundering and income tax investigations in particular. This expertise not only ensures quality tax prosecutions but provides the basis for Continuing Criminal Enterprise (CCE) and Racketeer Influenced and Corrupt Organizations (RICO) charges, forfeitures as well as IRS jeopardy and termination assessements.

Our agents are actively involved in supporting the task forces by tracing the flow of funds generated from drug sales. IRS agents not only find concealed assets in nominee names that were bought with narcotics income; but just as importantly, they find documentary evidence and obtain testimony that ties these assets to the traffickers and their narcotics proceeds. This information is essential for the successful prosecution of the trafficker. IRS agents have been able to substantiate the existence and relative size of a narcotics trafficker's drug business by proving the amount of illegal income that the trafficker earned. This information, documented through third party "citizen" witnesses, has substantiated the narcotics evidence obtained by Customs, DEA and FBI agents and, in many instances, has been the basis for obtaining multi-felony convictions that otherwise would not have been possible.

One of the areas in which IRS has been particularly successful is in prosecuting those who derive income from narcotics trafficking through money laundering investigations under the Bank Secrecy Act (Title 31). As you know, the Bank Secrecy Act calls for the filing of Currency Transaction Reports (CTR's) relative to certain currency and monetary transactions.

We have observed a substantial increase in the number of CTR filings over the last few years. In FY 1983, a total of 513,782 CTR's were filed. This increased to a total of 707,246 in FY 1984 and 1,832,000 in FY 1985. This is due to several factors. First, our special agents have made a tremendous effort to educate the banking

community as to the requirements of the law. This was done in part by the personal distribution of more than 125,000 posters designed to be placed in the non-public work areas of the banks. IRS special agents have also spoken at many gatherings of bank officials regarding illegal money laundering. The successful prosecution of the Great American Bank of Miami, in September, 1984, and the Bank of Boston, in February, 1985, emphasized the need for self-education by the banking industry and had a direct effect on the tremendous increase in CTR filings. Each of these banks received a $500,000 criminal fine.

One final area that IRS is involved in exclusively is in the area of Jeopardy and Termination Assessments. Jeopardy assessments differ from other tax assessments in that at any time after a return is due the IRS may immediately assess and collect the tax if there is an indication that collection may be in jeopardy. Termination assessments are made under the same circumstances before the due date of the tax return.

It is not currently possible to segregate OCDETF jeopardy and termination assessments from the total jeopardy and termination assessments made by IRS through its overall narcotics program. IRS participation in this area has increased substantially since FY 1976. In that year, jeopardy and termination assessments totaling $7.4 million were made on 104 narcotics related investigations. By FY 1983, narcotics related jeopardy and termination assessments were made on 262 cases totaling $68.8 million. This was up in FY 1984 to $118.3 million on 307 cases, and $246.0 million in FY 1985 on 311 cases.

There are several advantages in making jeopardy and termination tax assessments (civil actions) in Task Force cases. These assessments are especially useful in drug cases since they allow for immediate demand for payment and provide for seizure of assets of sufficient value to satisfy the subject's tax lien. All other forfeiture laws can reach only property used in illegal activities or obtained with tainted money. Jeopardy and termination assessments, however, can apply to all property owned by the individual regardless of the source of funds used to acquire the property.

Use of these assessments have been so successful, that several drug task forces have full-time IRS revenue agents assigned to handle these and other civil tax assessments, with the remaining task forces utilizing experienced revenue agents on a case by case basis.

FLORIDA ACTIVITIES AND RESULTS:

IRS has long been aware of the importance that Florida plays in the narcotics business. This is true both in the importation of illicit drugs from overseas and the illegal exodus of U.S. currency to tax haven countries. In Florida, IRS as an agency has channeled

substantial resources towards the prosecution of narcotics traffickers and money launderers for tax violations (Title 26) and violations of the Bank Secrecy Act (Title 31).

In the early 1970's, the IRS in Florida, under the High Level Drug Leaders project, launched an agressive Title 26 investigative attack on domestic narcotics traffickers and those profiteering from related trades and services.

In 1980, IRS and the U.S. Customs Service joined forces along with the Department of Justice in a coordinated project known as "Operation Greenback". The purpose of this project was to investigate criminal violations of Title 31 and Title 26 by individuals and entities involved in narcotics money laundering. This sort of money "laundering" is of particular concern to the IRS since illegal income is taxable, just as is legal income. Our efforts have resulted in the conviction of major money laundering specialists, officers and employees of banks.

Our efforts in Florida -- now at approximately 36% of special agent investigative time -- relative to narcotics investigations exceeds the national average of 25%. These efforts have not been limited to Operation Greenback. Just as in the rest of the nation, IRS in Florida has contributed significant agent resources to our High Level Drug Leader's project and to the OCDETF program.

Since 1980, in Florida, IRS has expended approximately 444 special agent staff years, has initiated 590 investigations, made 399 prosecution recommendations, obtained 297 indictments of which to date 187 have been convicted in the narcotics area. In FY 1985 alone, IRS special agents expended the equivalent of 68 staff years in the narcotics program, initiated 110 criminal investigations, made 86 prosecution recommendations, obtained 106 indictments resulting thus far in 87 convictions. Eighty-five percent of those sentenced received substantial prison terms averaging 4.2 years each. As of January 1, 1986, 73 additional IRS cases were in the "Pipeline" awaiting prosecution.

Since the inception of the Florida/Caribbean Drug Task Force, IRS has been an active participant. Of the total 215 IRS agents originally committed to the 13 Presidential Drug Task Forces; 30 positions were committed to the Florida/Caribbean Task Force, with 28 in Florida, and 2 in our Foreign Operations District office in Washington, D.C. During the first 14 months of the Florida/Caribbean Task Force, IRS expended over 48 special agent staff years, 35% in excess of the original staffing committment.

IRS, also, has contributed significantly to this Task Force in the area of tracing and assisting in the seizing of money and assets owned by narcotics traffickers. The following schedule summarizes the

seizure, assessment and forfeiture results of the Florida/Caribbean Task Force from October 1, 1984 through January 31, 1986. These results would not have been attainable without the participation of the Internal Revenue Service.

FLORIDA/CARIBBEAN ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCE

Results through 1/31/86

Assets:	Amount
Cash	$21,448,896
Real Property	17,100,900
Jeopardy Tax Assessment	6,778,605
Monetary Instruments	601,100
Aircraft	580,000
Jewelry	50,000
Miscellaneous (vehicles, weapons, equip. etc.)	356,526
Total	* $46,916,027

* Two recent OCDETF investigations, initiated by IRS, (Operations "Goldmine" and "Bingo") have generated an additional $19,600,000 in cash and property seizures. These seizure actions occurred subsequent to January 31, 1986, and are not included in the above schedule.

Attachment I is a summary of several of the many significant cases in which IRS has been involved in as a major participant in "Operation Greenback" and the Florida/Caribbean Task Force.

Attachments II and III are statistical summaries of IRS participation in narcotics related investigations.

GRAMM-RUDMAN-HOLLINGS ACT:

Regarding your question relating to the Gramm-Rudman-Hollings Act, I can only state that IRS took a 4.3% budget cut, just as other Federal agencies did.

SUGGESTIONS:

Finally, I do have a suggestion for the committee to improve the effectiveness of the IRS in enforcing those laws involved in narcotics money laundering. I recommend your support of the proposed legislative changes to the Bank Secrecy Act that have been submitted to the Committee on Ways and Means by the Assistant Secretary of the Treasury.

The proposed legislative changes clarify the authority to prohibit the structuring of financial transactions to avoid the reporting requirements of the Bank Secrecy Act as well as including a much needed "attempt provision" to the law.

In addition, the proposed legislative changes provide the Government the authority to seize and forfeit funds in connection with domestic currency violations under the Bank Secrecy Act - authority it presently lacks.

Again, thank you for this opportunity to speak before you today. I will be pleased to answer any questions you or the members may have.

Attachment I

INTERNAL REVENUE SERVICE CASE SUMMARIES:

RAMON MILIAN-RODRIGUEZ

Ramon Milian-Rodriguez, a Miami CPA and member in good standing of the Florida AICPA, was arrested May 5, 1983, by IRS and USC agents assigned to Operation Greenback. He was held on $25 million bond.

On May 4, while under surveillance by Operation Greenback agents, Milian-Rodriguez loaded his Lear jet at Fort Lauderdale International Airport with approximately 20 boxes which later was determined to contain $5.4 million in U.S. currency. The aircraft was stopped and an "outbound" search of the plane was conducted. The money was taken into custody for violation of Title 31. A consent search of Milian-Rodriguez's office and residence was conducted the same day with the following seizures being made:

* Books and records of his money laundering operation which included in excess of 900 client files which reflected financial activity of clients with foreign corporations and offshore banks, and other illegal activities

* 64 pounds of high grade cocaine

* A loaded and illegal UZI nine millimeter sub-machine gun with lasar scope and numerous other loaded weapons

* Bearer bonds

* $45,000 in counterfeit U.S. currency.

* Electronic security equipment valued at over $350,000

Milian-Rodriguez admitted that he had transported or moved more than $1 billion in U.S. currency for his clients over the past seven to ten years. He admitted to laundering from $17 to $25 million per month while turning away additional business. He admitted to earning more than $1 million per year as a money exchanger/courier and he further admitted that many of his clients were large-scale narcotics traffickers.

The May 13, 1983, a 17 count indictment charged Milian-Rodriguez with 10 counts of failing to file CIR's (an IRS jurisdiction) during 1982 and 1983, and other charges.

On January 2, 1986, he was sentenced to 35 years in prison and fined $6,490,000.

GEORGE N.MEROS et al

In the summer of 1983 special agents of the Internal Revenue Service and U.S. Customs initiated a joint investigation into allegations of narcotics smuggling and international money laundering activities involving over 20 targets, including a prominent St. Petersburg attorney, George N. Meros. Also cooperating in the investigation were the Pinellas County State Attorney's Office and Sheriff's Department, St. Petersburg Police Department and Florida Department of Law Enforcement. Meros financed narcotics smuggling operations and money laundering activites in Florida, Georgia and South Carolina. He was arrested in September 1983.

Following the arrest of Meros, a search warrant was executed on Meros' law office. In excess of 75,000 records were obtained relative to foreign and domestic financial transactions and travel. A complex OCDETF financial investigation, conducted by the Internal Revenue Service, disclosed evidence that Meros and St. Petersburg stockbroker, Robert Papolos, established a narcotic smuggling organization which financed and organized several multi-ton marijuana smuggling ventures involving planned offloads in Georgia, South Carolina and Florida. The organization also provided a sophisticated means of laundering the narcotic proceeds which involved the use of multiple domestic bank accounts, nominee property ownership, overseas currency smuggling, money laundering and use of numbered Swiss bank accounts.

Grand Shores West, an eighty-four unit beach front timeshare project on Redington Beach, was suspected as being financed with drug proceeds filtered by Meros through numbered Swiss bank accounts. In November 1983, a second search warrant was executed on Grand Shores West for records relating to Meros' money laundering activities. Through coordinated efforts of investigating agents and bank officials, it was revealed that Meros instructed his co-conspirators to purchase cashier checks and make cash deposits in amounts less than $10,000 in furtherance of narcotic activities, and that deposits into Grand Shores bank accounts were broken down into amounts less than $10,000 and deposited at different branches throughout Pinellas county to avoid CTR requirements. Within two months of executing the search warrant at Grand Shores, sufficient probable cause was developed to seize the entire timeshare project pursuant to Title 21 USC 881. Grand Shores West is valued at more than eleven million dollars and is pending the outcome of a forfeiture proceeding.

Over a period of approximately six (6) months, requests were initiated, via the Mutual Assistance Treaty between the United States and Switzerland, to obtain evidence from Switzerland relative to Meros' money laundering activities. The requests sought both documentary evidence and testimony from bank representatives, hotel representatives and businessmen believed to have had contact with Meros and others in the laundering of drug profits.

The records and testimony from bank and government representatives proved invaluable to substantiate that MEROS and ROBERT PAPOLOS had illegally transported $3.3 million in U.S. currency to Switzerland, deposited cash to numbered bank accounts and lied to Swiss bankers about the source of the funds.

In May, 1984, the grand jury indicted MEROS, PAPOLOS and twenty (20) others for racketeering, narcotics and money laundering offenses. The trial commenced in March 1985, and continued for over five months. Evidence admitted into trial included testimony of 150 witnesses, more than 500 pages of documents and over 200 pounds of marijuana from a 52,000 pound load seized in Georgia.

Six of the defendants pled guilty, two are fugitives, and twelve of the fourteen defendants that went to trial were convicted in August 1985. In September, the twelve convicted defendants as well as the six co-conspirators who pled guilty in March, were sentenced. The following is an outline of the sentences rendered by Senior District Court Judge Ben Krentzman:

	DEFENDANT	SENTENCE
**	George N. Meros (Attorney)	120 yrs Sentence w/40 yrs to serve & $25,000 Fine
**	Robert Papolos (Stockbroker)	25 yrs Imprisonment
**	Michael Ferrentino (Businessman)	20 yrs Imprisonment
**	Stephen Papolos (Bar Owner)	20 yrs Imprisonment
**	Albert Papolos (Drug Dealer)	10 yrs Imprisonment
	Alchilles Vaseliades (Car Dealer)	10 yrs Imprisonment
**	Robert English (Truck Driver)	10 yrs Imprisonment
	Bernanrd Johnson (Drug Dealer)	6 yrs Imprisonment
	John Frazier (Drug Dealer)	5 yrs Imprisonment

**	Michael Rubenstein (Carpenter)	5 yrs Imprisonment
**	Mark Strickland (Drug Dealer)	5 yrs Imprisonment
	Linda Ferrentino (Stewardess)	3 yrs Imprisonment
*	Alex Biscuiti (Drug Dealer)	5 yrs Imprisonment
*	Edward McCarthy (Car Dealer)	8 yrs Imprisonment
*	Joseph O'Hara (Plane Dealer)	5 yrs Probation
*	Donald McCoy (Boat Captain)	3 yrs Probation
*	David Capo (Fisherman)	2 yrs Probation
*	Thomas Palmer (Fisherman)	3 yrs Probation

(*Note: Government Witness) (**Note: Remanded immediately to custody)

Nearly $12 million in property was seized as a result of this OCDETF investigation, including:

Description	Value
Cessna 310 Airplane	$ 50,000
Four vehicles	60,000
470 Acres of Property-Levy Co.	350,000
70 Acres of Property-Dixie Co.	150,000
Cash	17,800
Aztec Airplane	45,000
84-Unit Condominium Complex	11,000,000
Total	$11,672,800

OPERATION CHECKMATE

This was the first OCDETF investigation initiated by the Florida/Caribbean Task Force. It originated when an individual provided information on the money laundering activities of five separate narcotics and money laundering organizations. The

investigation, which utilized the efforts of an IRS confidential informant and an IRS undercover agent, culmanated in February, 1985, with the indictment of twenty-two individuals, the seizure of 2.1 million dollars in U.S. currency and monetary instruments and jeopardy assessments in excess of 6.4 million dollars. Also seized were ten vehicles utilized by the subjects in facilitating their narcotics money laundering activities.

OPERATION GOLDMINE

Operation Goldmine was an undercover operation involving a Colombian money laundering ring. The investigation resulted in the indictment of 13 individuals, the seizure of 11.6 million dollars in U.S. currency and more than 100 kilos of cocaine. The investigation was a coordinated effort between the OCDETF's in Miami and Los Angeles.

OPERATION BINGO

This OCDETF investigation involved two NASCAR race drivers, William Whittington and Reginald Whittington Jr., and a wealthy furniture dealer, Gary Levitz who were involved in a conspiracy to import multi-ton quantities of marijuana as well as income tax evasion for the years 1979 through 1981. Numerous bank accounts in foreign countries were identified and found to have been utilized to launder and hide millions of dollars in untaxed narcotics proceeds. They have agreed to plead guilty and have forfeited eight million dollars in cash and property to the U.S. Government.

MARIANO OSPINA

The grandson of the former president of Colombia who, along with his brother, laundered $1.3 million through an undercover agent. The subject, his brother Rodolfo and a third individual (Mauricio Lehrer) were indicted on conspiracy and false statement charges. Mariano and Mauricio Lehrer were convicted and sentenced to serve 10 years and 6 years respectively. Rodolfo Ospina remains a fugitive.

HERNAN BOTERO

A Colombian businessman who in 1980 laundered approximately 57 million dollars through five fictitious accounts in Miami. Botero was indicted in 1981 and fled to Colombia. In 1985, Botero became the first Colombian extradited to the United States and was subsequently convicted on charges of conspiracy, scheming to avoid the filing of CTR's and mail fraud. He was sentenced to serve 30 years.

DAVID CAPO

Associated with a major narcotics and money laundering operation, Capo pled guilty to one count of tax evasion for 1978 and was

sentenced to two years in prison. In addition, he forfeited a ranch purchased with narcotics trafficking proceeds valued at approximately $350,000.

RAYMOND CASAMAYOR

Deputy Chief of Police in Key West, was sentenced to 30 years imprisonment after being found guilty of tax evasion and subscribing to false returns.

DARRELL DANIELS

A member of a large scale narcotics smuggling organization, Daniels was investigated under Operation Everglades and pled guilty to one count of filing a false return. He was fined $100,000, ordered to forfeit approximately $600,000 in real property, ordered to forfeit $500,000 in currency and sentenced to 13 years in prison.

GREAT AMERICAN BANK OF MIAMI

Fined $500,000 for its part in laundering the money of several Colombian nationals. Lionel Paytuvi, Vice-President was sentenced to serve 7 years and Carlos Nunez, Head Teller, was sentenced to 3 1/2 years in prison.

MELVIN HORNE

This Tallahassee attorney, was sentenced to five years in prison for conspiracy to defraud the IRS by helping a drug smuggler conceal his assets.

FRANCIS MARTIN GIANCOLA AND CHARLES PIFER

These south Florida individuals, who were facilitating the laundering of narcotics money, were each sentenced to five years in prison for conspiring to cause CTRs not to be filed by purchasing bank checks in amounts less than $10,000 and often in false names.

WILLIAM JOE RICHARDS AND LYNFORD ROOSEVELT EVANS

Eighteen individuals were indicted on January 9, 1986 on narcotics, conspiracy, income tax and money laundering charges in the Southern Judicial District of California. The leader of the 100 kilo per month cocaine importation ring and his principal money launderer Lynford Roosevelt Evans fled following the indictment and are currently fugitives.

Richards, who was charged with two counts of income tax evasion and conspiracy charges had acquired over $5 million worth of real estate in Florida, Texas, Hawaii and California. He had acquired this

property through "shell" corporations established by Evans in the Grand Caymen Islands, Turks and Caicos and the Netherlands Antilles, all tax haven countries.

LOS ANGELES NARCOTICS TRAFFICKER
JEOPARDY AND TERMINATION ASSESSMENT

An integral function of the narcotics program is the utilization of jeopardy and termination assessments.

In June 1984, the Los Angeles, California IRS District made two termination assessments totaling over $28 million against a major Los Angeles narcotics trafficker. The IRS levied against his assets located within the United States, which included monies on deposit at First City National Bank of El Paso, Texas. When the levy was served, the bank filed an action in an El Paso County, Texas court asking the court to determine whether the funds (approximately $6.5 million) on deposit belonged to IRS, the individual account holder or some other individuals. The action was removed to the U.S. District court in the Western District of Texas.

On December 19, 1985, as the result of actions filed by the IRS, the court ordered the approximately $7.2 million (the original $6.5 million plus about $700,000 accrued interest) be deposited in the United States Treasury to be creditied toward the $28 million tax lien.

THE CLASS REUNION

The defendants in the Organized Crime Drug Enforcement Task Force indictments and informations have performed a variety of functions in drug trafficking organizations.

Task Force prosecutions have included the prosecutions of the top leaders of organizations and their functionaries, as well as those involved on the periphery of illicit organizations such as enforcers and corrupt public officials. In the following case, successfully concluded in 1985, the chief defendant in the marijuana and cocaine trafficking organization performed a variety of functions, including that of top level leader, major financial backer, major money launderer, major supplier or distributor, and key contact to sources.

In the year 2010, when he is 63 years old, Drake A. Williams, a Certified Public Accountant from Santa Fe, New Mexico, will have the opportunity to walk the streets of Santa Fe, Houston, or El Paso, three cities which figured prominently in his rise and fall in the drug world. Raised by a middle-class aunt and uncle in Texas, Williams put himself through college at the University of Texas at El Paso. Williams utilized his education — he became a Certified Public

Accountant at the age of 20 -- to develop and run a sophisticated drug trafficking and money laundering business.

BANK CONVICTIONS TITLE 31 & CTR VIOLATIONS

Sentence Date	Name	State	Fine
4/77	Chemical Bank	NY	222,500
11/81	Garfield Bank	CA	309,160
9/82	Palm State Bank	FL	2,000
4/83	Summit National	MN	4,000
6/83	ATCO National Bank	NJ	50,000
8/83	First National Bank of Kearny	NJ	37,500
8/83	Southwestern Bank	OK	1,000
8/83	United Oklahoma Bank	OK	2,000
9/83	Community National Bank	TX	2,500
11/83	Pan American Bank	NV	95,000
11/83	Princeton Co-Op Credit Union	MN	30,000
12/83	Midland Bank & Trust	NJ	2,500
3/84	O'Bannon Banking Company	MO	19,000
4/84	Security State Trust	IL	15,000
9/84	Great American Bank	FL	500,000
9/84	Rockland Trust	MA	50,000
10/84	Illinois National Bank of Springfield	IL	10,000
2/85	Bank of Boston	MA	500,000
5/85	1st Galesburg National	IL	1,000
10/85	Bank of Monroe	WV	1,000
10/85	Greater Providence Deposit Corp.	RI	50,000
2/86	Bank of New England	MA	(sent.pend)
2/86	McLean Bank	VA	80,000
3/86	Caribbean Federal Savings & Loan	PR	450,000

ATTACHMENT II

INTERNAL REVENUE SERVICE - CRIMINAL INVESTIGATION DIVISION

SUMMARY OF ACTIVITIES NATIONWIDE

HIGH LEVEL DRUG LEADERS PROJECT

(Includes Organized Crime Drug Enforcement Task Forces)

1981-1987

Fiscal Year	CID Staff* Years Expended	Cases Opened	Prosecutions Recommended	Indictments/ Informations	Convictions Guilty and Nolo Pleas	% Convicted Sentenced To Prison	Average Prison Sentence(Mos)	Total Fines (Thousands)	CID Budget Narcotics (Millions)
1981	820	755	170	110	50	74%	39	172	31.1
1982	956	729	343	180	121	76%	45	1,709	39.6
1983	1,069	826	421	265	167	87%	68	893	45.0
1984	1,213	1085	712	516	353	77%	52	4,572	51.8
1985	1,268	1188	840	673	515	80%	67	4,235	56.3
1986 **	1,211	—	—	—	—	—	—	—	55.6
1987 **	1,211	—	—	—	—	—	—	—	55.6

* Total CID staff years, including support staff years

** Estimated

ATTACHMENT III

INTERNAL REVENUE SERVICE - CRIMINAL INVESTIGATION DIVISION

SUMMARY OF ACTIVITIES IN FLORIDA

HIGH LEVEL DRUG LEADERS PROJECT

(Includes Organized Crime Drug Enforcement Task Forces)

1980-1985

Fiscal Year	CID Staff Years Expended	Cases Opened	Prosecutions Recommended	Indictments/ Informations	Convictions Guilty and Nolo Pleas	% Convicted Sentenced To Prison	Average Prison Sentence(Mos)	Total Fines (Thousands)
1980	36.7	43	9	4	2	50%	24	2
1981	76.7	129	51	35	5	50%	120	40
1982	82.4	92	60	37	24	84%	68	68
1983	102.3	91	65	46	27	89%	87	326
1984	78.3	125	128	69	42	74%	45	1,670
1985	68.0	110	86	106	87	85%	50	480

EXAMINATION DIVISION - CIVIL TAX ASSESSMENTS
NARCOTICS CASES IN FLORIDA
FY 1983 - FY 1986 (3/17/86)

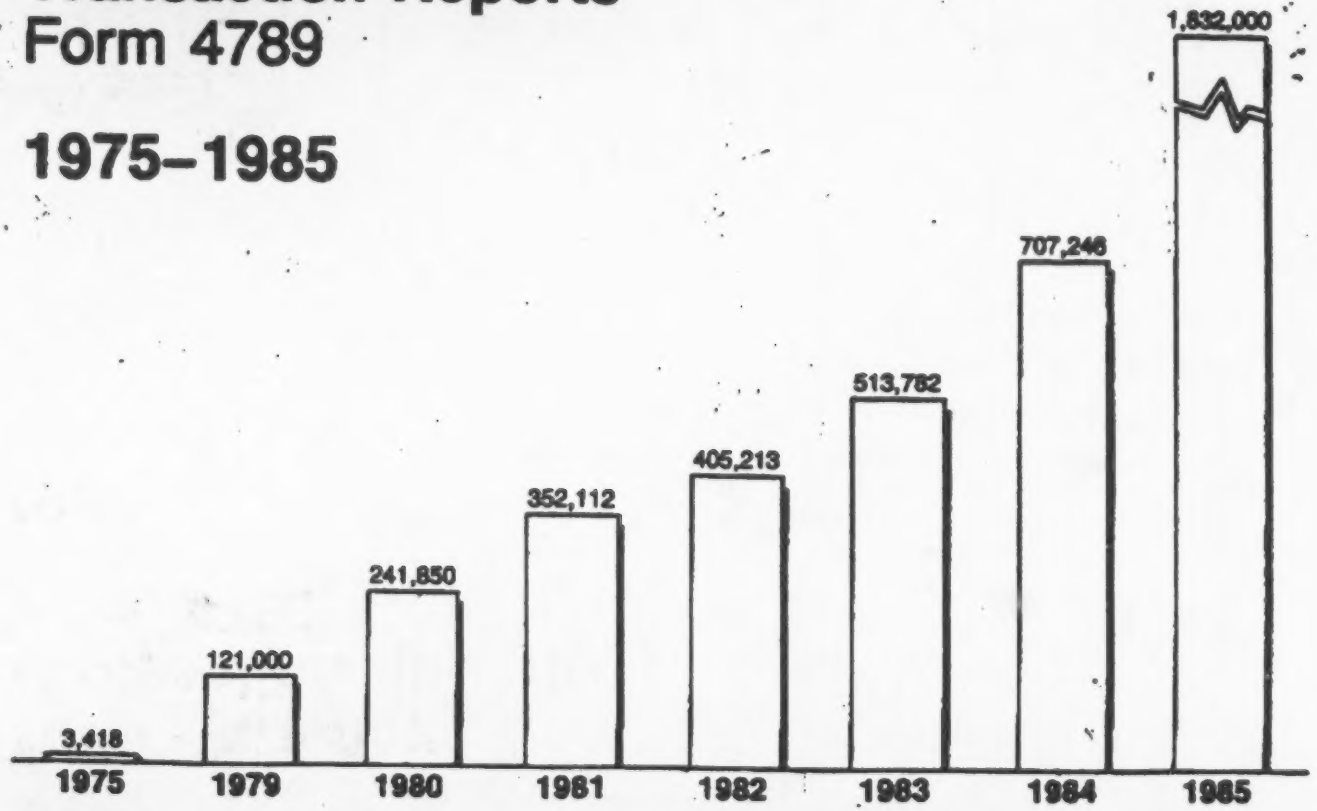
FY 1983		FY 1984		FY 1985		FY 1986 YTD 3/17/86	
#Cases	Amount	#Cases	Amount	#Cases	Amount	#Cases	Amount
17	$ 3,595,446.00	28	$ 4,109,403.00	35	$10,429,025.00	14	$1,870,319.00
11	4,233,377.00	25	23,081,283.00	12	8,000,231.00	4	1,015,598.00
	15,043,974.00		47,733,626.00		29,921,477.00		4,497,313.00
	$22,872,797.00		$74,924,312.00		$48,350,733.00		$7,383,230.00

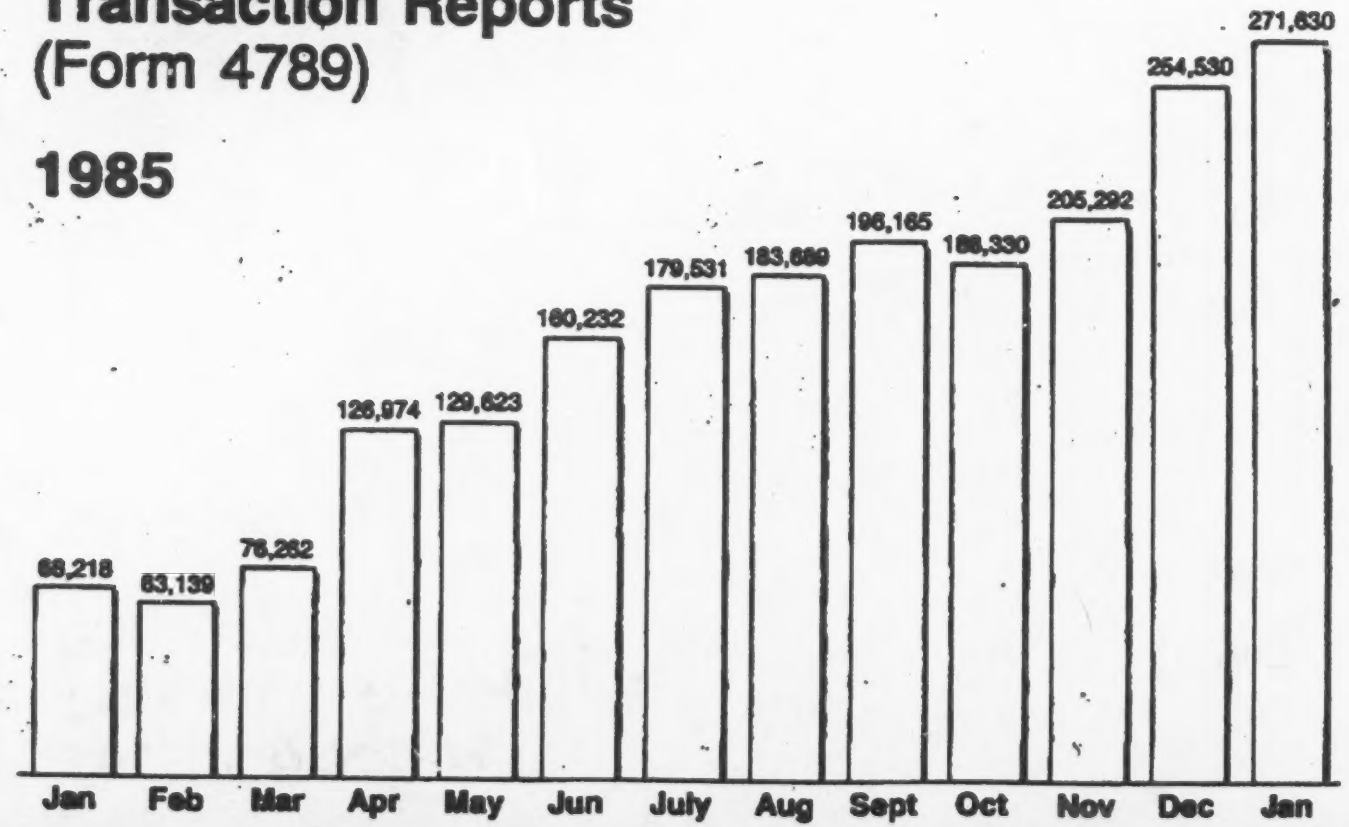
Grand Total = $153,531,072.00

ATTACHMENT IV

Total Currency Transaction Reports Form 4789

1975–1985



Total Currency Transaction Reports (Form 4789)

1985